

CHAPTER 302—RELOCATION ALLOWANCES

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AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: 54 FR 20306, May 10, 1989, unless otherwise noted.

Subpart A—New Appointees and Transferred Employees

§ 302-1.1 Authority.

This chapter is issued pursuant to 5 U.S.C. 5721-5734 and 20 U.S.C. 905(a).

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-1.2 Applicability.

(a) *Persons covered.* Except as otherwise provided in this chapter, the following persons are covered:

(1) Civilian officers and employees upon transfer from one official station or agency to another for permanent duty.

(2) Civilian officers and employees of the United States Postal Service trans-

ferred under 39 U.S.C. 1006 from the Postal Service to an agency as defined in 5 U.S.C. 5721 for permanent duty.

(3) Civilian officers and employees assigned to posts of duty outside the continental United States in connection with overseas tour renewal agreement travel and upon return to places of residence for the purpose of separation.

(4) New appointees to any position.

(5) Student trainees assigned upon completion of college work to any position.

(6) Department of Defense overseas dependents school system teachers.

(7) Career appointees to the Senior Executive Service (SES), and prior SES appointees who have elected to retain SES retirement benefits, upon their retirement and return to the place the individual has elected to reside.

(b) *Persons excluded.* This chapter shall not apply to:

(1) Officers and employees transferred in accordance with the provisions of the Foreign Service Act of 1980, as amended.

(2) Officers and employees transferred in accordance with the provisions of the Central Intelligence Agency Act of 1949, as amended.

(3) Persons whose pay and allowances are prescribed under title 37, United States Code, "Pay and Allowances of the Uniformed Services."

(4) Personnel of the Veterans Administration to whom the provisions of 38 U.S.C. 235 apply.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23656, May 23, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992; FTR Amdt. 37, 59 FR 27488, May 27, 1994]

§ 302-1.3 General provisions.

(a) *Travel covered*—(1) *Mandatory coverage.* When change of official station or other action described in this paragraph is authorized or approved by such official or officials as the head of the agency may designate, travel and transportation expenses and applicable allowances as provided in this chapter (see applicability and exclusions in pertinent parts) shall be paid in the case of:

(i) An employee transferring from one official duty station to another for permanent duty, provided the transfer is in the interest of the Government

and is not primarily for the convenience or benefit of the employee or at his/her request; the transfer is to a new official station which is at least 10 miles distant from the old official station; and, in the case of a relatively short distance relocation, a determination of eligibility is made under §302-1.7(a) of this part;

(ii) Eligible employees outside the continental United States traveling in connection with overseas tour renewal agreement travel;

(iii) Eligible employees returning from posts of duty outside the continental United States to places of actual residence for separation as provided in §302-1.12 of this part; and

(iv) Eligible individuals, as defined in §302-1.101 of this chapter, qualifying for "last move home" benefits upon separation from Government service as provided in subpart B of this part.

(2) *Discretionary coverage.* The head of an agency, or his/her designee, may authorize the payment of travel and transportation expenses and applicable allowances in the case of:

(i) A new appointee, as defined in §302-1.4(d), relocating from his/her place of actual residence at the time of appointment (or at the time following the most recent Presidential election, but before selection or appointment, in the case of an individual who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) and who is appointed in the same fiscal year as the Presidential inauguration that immediately follows his/her transition activities) for permanent duty to an official station; and

(ii) An employee authorized a temporary change of station under subpart C of this part in connection with the employee's long-term assignment to a temporary official station.

(b) *Reasonable advance notice of reassignment or transfer.* As provided in 5 U.S.C. 5724(j), "the reassignment or transfer of any employee, for permanent duty, from one official station or agency to another which is outside the employee's commuting area shall take effect only after the employee has been given advance notice for a reasonable period. Emergency circumstances shall be taken into account in determining

whether the period of advance notice is reasonable." Agencies shall give as much advance notice as possible to enable the employee to begin the arrangements necessary when relocating family and residence. However, see §302-1.7 governing payment of travel and transportation expenses and applicable allowances when short distances are involved. A reasonable period of advance notice should not be less than 30 days except when:

(1) The employee and both the losing and gaining agencies agree on a lesser period;

(2) Other statutory authority and implementing regulations stipulate a lesser period (see Office of Personnel Management regulations for specified timeframes); or

(3) Emergency circumstances prevail.

(c) *Travel authorization.* When it is determined that a relocation will be authorized at Government expense, a written travel authorization shall be issued to the new appointee or employee before he/she reports to the first or new official station. The agency should advise the employee, or individual selected for appointment, not to incur relocation expenses in anticipation of a relocation until he/she has received written notification. The travel authorization shall indicate the specific allowances which are authorized as provided in this chapter and provide instructions on the Federal procedures for procurement of travel and transportation services. The guidelines in §301-1.102 of this title on issuance of travel authorizations shall be followed. See also §302-1.10(c) for procedural requirements applicable to new appointees.

(d) *Applicable provisions for reimbursement purposes.* Because of successive changes to the statutes and the regulatory provisions governing relocation allowances and the extended period of time that employees retain eligibility for certain allowances (see §§302-1.6 and 302-6.1(e)), the reimbursement maximums or limitations applicable to certain allowances will not be the same for all employees even though claims may be filed within the same time-frame. The regulatory provisions in effect on the employee's or new appointee's effective date of transfer or appointment (see §302-1.4(l)) shall be

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used for payment or reimbursement purposes.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 9, 55 FR 10778, Mar. 23, 1990; FTR Amdt. 17, 56 FR 23656, May 23, 1991; 56 FR 28589, June 21, 1991; 56 FR 40946, Aug. 16, 1991; FTR Amdt. 26, 57 FR 28634, 28635, June 26, 1992; FTR Amdt. 32, 58 FR 58243, Oct. 29, 1993; FTR Amdt. 64, 62 FR 13771, Mar. 21, 1997]

§ 302-1.4 Definitions.

As used in this chapter, and unless otherwise specifically provided in this chapter, the following definitions apply:

(a) *Continental United States.* Continental United States (or CONUS) means the 48 contiguous States and the District of Columbia.

(b) *United States.* United States means the 50 States and the District of Columbia. The terms *United States* and *the 50 States and the District of Columbia* are used interchangeably throughout this chapter.

(c) *Employee.* A civilian officer or employee of an *agency* as defined in paragraph (e) of this section. The term also includes new appointees as defined in paragraph (d) of this section.

(d) *New appointee.* *New appointee* includes any person newly appointed to Government service, including an individual who has performed transition activities under section 3 of the Presidential Transition Act of 1963 (3 U.S.C. 102 note) and who is appointed in the same fiscal year as the Presidential inauguration that immediately follows his/her transition activities. *New appointee* also includes an individual appointed after a break in service except that an employee separated as a result of reduction in force or transfer of function may be treated as a transferee instead of a new appointee under the conditions set out in § 302-1.9. In addition, for purposes of chapters 301-304 of this title, the term *new appointee* includes a student trainee who is assigned upon completion of college work.

(e) *Agency.* For purposes of this chapter, *agency* means:

(1) An *Executive agency* as defined in 5 U.S.C. 105 (an executive department, an independent establishment, the General Accounting Office, or a wholly owned Government corporation as de-

finied in section 101 of the Government Corporation Control Act, as amended, but excluding a Government controlled corporation);

- (2) A military department;
- (3) A court of the United States;
- (4) The Administrative Office of the United States Courts;
- (5) The Federal Judicial Center;
- (6) The Library of Congress;
- (7) The United States Botanic Garden;
- (8) The Government Printing Office; and
- (9) The District of Columbia.

(f) *Immediate family.* (1) Any of the following named members of the employee's household at the time he/she reports for duty at the new permanent duty station or performs authorized or approved overseas tour renewal agreement travel or separation travel:

- (i) Spouse;
- (ii) Children of the employee or employee's spouse who are unmarried and under 21 years of age or who, regardless of age, are physically or mentally incapable of self-support. (The term "children" shall include natural offspring; stepchildren; adopted children; grandchildren, legal minor wards, or other dependent children who are under legal guardianship of the employee or employee's spouse; and a child born after the employee's effective date of transfer when the travel of the employee's expectant spouse to the new official station is prevented at the time of the transfer because of advanced stage of pregnancy, or other reasons acceptable to the agency concerned, e.g., awaiting completion of the school year by other children.);

(iii) Dependent parents (including step- and legally adoptive parents) of the employee or employee's spouse (see paragraph (f)(2) of this section for dependent status criteria); and

(iv) Dependent brothers and sisters (including step- and legally adoptive brothers and sisters) of the employee or employee's spouse who are unmarried and under 21 years of age or who, regardless of age, are physically or mentally incapable of self-support. (See paragraph (f)(2) of this section for dependent status criteria.)

(2) Generally, the individuals named in paragraphs (f)(1) (iii) and (iv) of this

section shall be considered dependents of the employee if they receive at least 51 percent of their support from the employee or employee's spouse; however, this percentage of support criteria shall not be the decisive factor in all cases. These individuals may also be considered dependents for the purposes of this chapter if they are members of the employee's household and, in addition to their own income, receive support (less than 51 percent) from the employee or employee's spouse without which they would be unable to maintain a reasonable standard of living.

(g) *Temporary storage.* Storage of household goods for a limited period of time at origin, destination, or en route in connection with transportation to, from, or between official stations or posts of duty or authorized alternate points.

(h) *Nontemporary storage.* Storage of household goods while an employee is assigned to or is at an official station or post of duty to which he/she will not or cannot transport such household goods.

(i) *Mobile home.* Any type of house trailer or mobile dwelling constructed for use as a residence and designed to be moved overland, either by self-propulsion or towing. Also, a boat when used as the employee's primary residence.

(j) *Household goods.* (1) All personal property associated with the home and all personal effects belonging to an employee and the immediate family when shipment or storage begins, which can be legally accepted and transported as household goods by an authorized commercial carrier in accordance with the rules and regulations established or approved by an appropriate Federal or State regulatory authority, except the items excluded in this paragraph. Snowmobiles and vehicles with two or three wheels, e.g., motorcycles, mopeds, and golf carts, may be shipped as household goods. The following items are specifically excluded from the definition of household goods:

(i) Automobiles, trucks, vans and similar motor vehicles; boats; airplanes; mobile homes; camper trailers; and farming vehicles;

(ii) Live animals, birds, fowls, and reptiles;

(iii) Cordwood and building materials; and

(iv) Property for resale, disposal, or commercial use rather than for use by the employee or the immediate family; and

(v) Any property or items which carriers' tariffs prohibit carriers from accepting for shipment. Agencies are advised to consult applicable tariffs or to contact the carrier involved if problems arise concerning shipment of the following prohibited articles:

(A) Property liable to impregnate or otherwise damage equipment or other property (e.g., hazardous articles including explosives, flammable and corrosive materials, and poisons);

(B) Articles which cannot be taken from the premises without damage to the article or the premises;

(C) Perishable articles, including frozen foods, articles requiring refrigeration, or perishable plants unless: the shipment is to be transported not more than 150 miles and/or delivery accomplished within 24 hours from the time of loading; no storage of shipment is required; and no preliminary or enroute servicing or watering or other preservative method is required of the carrier.

(2) Items which are irreplaceable or are of extreme value or sentiment are not provided special security by the carrier even though extra-value insurance may be purchased. Employees and their immediate families are advised to personally transport these types of items.

(k) *Official station or post of duty.* The building or other place where the officer or employee regularly reports for duty. (For eligibility for change of station allowances, see §§ 302-1.3 and 302-1.7.) With respect to entitlement under this chapter relating to the residence and the household goods and personal effects of an employee, official station or post of duty also means the residence or other quarters from which the employee regularly commutes to and from work. However, where the official station or post of duty is in a remote area where adequate family housing is not available within reasonable daily commuting distance, residence includes the dwelling where the family of the employee resides or will reside, but

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only if such residence reasonably relates to the official station as determined by an appropriate administrative official.

(l) *Effective date of transfer or appointment.* The date on which an employee or new appointee reports for duty at his/her new or first official station.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23656, May 23, 1991; FTR Amdt. 20, 56 FR 46989, Sept. 17, 1991; FTR Amdt. 26, 57 FR 28634, 28635, June 26, 1992]

§ 302-1.5 Service agreements.

(a) *Transfers within the continental United States and appointments and assignments of new appointees and student trainees to any position within the United States.* In connection with the transfer of employees between official stations within the continental United States, expenses authorized under this chapter shall not be allowed until the employee selected for such transfer agrees in writing to remain in the service of the Government for 12 months following the effective date of the transfer, unless separated for reasons beyond his/her control that are acceptable to the agency concerned. In case of a violation of such an agreement, including failure to effect the transfer, any funds expended by the United States for expenses authorized under this chapter shall be recoverable from the individual concerned as a debt due the United States. Such an agreement also is required from new appointees and student trainees appointed or assigned to any position within the United States, as a condition of payment for travel, transportation, moving and/or storage of household goods, and allowances as provided in § 302-1.10. A signed agreement for 12 months' service shall be required for each permanent change of station.

(b) *Transfers, appointments, and separations involving posts of duty outside the continental United States.* (1) In connection with the transfer or appointment of employees to posts of duty outside the continental United States, or between posts located in (i) separate countries, (ii) separate areas of the United States located outside the continental United States (e.g., Alaska, Hawaii, the Commonwealth of Puerto Rico), or (iii) any combination of these

areas, the expenses of travel, transportation, moving and/or storage of household goods, and other applicable allowances as provided in this chapter shall not be allowed unless and until the employee selected for such transfer or appointment agrees in writing to remain in the service of the Government for 12 months following the effective date of the transfer or appointment (or for 1 school year for Department of Defense overseas dependents school system teachers as determined under chapter 25 of title 20 of the United States Code), unless separated for reasons beyond his/her control and acceptable to the agency concerned. In case of a violation of such an agreement, including failure to effect the transfer, any funds expended by the United States for such travel, transportation, and allowances shall be recoverable from the individual concerned as a debt due the United States.

(2) Except as precluded by this chapter, upon separation from service, the expenses for return travel, transportation, and moving and/or storage of household goods shall be allowed whether the separation is for the purposes of the Government or for personal convenience. However, such expenses shall not be allowed unless:

(i) The employee transferred or appointed to posts of duty outside the continental United States shall have served for a minimum period of not less than 1 nor more than 3 years prescribed in advance by the head of the agency (or for 1 school year for Department of Defense overseas dependents school system teachers as determined under chapter 25 of title 20, United States Code); or

(ii) Separation is for reasons beyond the control of the individual and acceptable to the agency concerned.

(3) The head of the agency also shall consider requiring a service agreement in connection with the transfer of employees not otherwise covered by this subpart. The agreement shall provide that in determining any employee indebtedness for violation of such agreement, credit shall be given to the extent of any unused entitlements he/she may have earned for return travel and transportation to his/her place of actual residence for separation.

(c) *Employee liability.* The agreement to remain in the service of the Government for 12 months following the effective date of transfer is not voided by a subsequent transfer whether such subsequent transfer is at the employee's request or in the interest of the Government, nor is such agreement voided by another service agreement made in connection with a second transfer. The liability of the employee for any funds expended by the United States for his/her travel, transportation, and relocation allowances is a separate liability for each service agreement. The liability in each instance is effective for the full 12-month period in connection with the transfer for which the service agreement was made.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 16, 56 FR 15050, Apr. 15, 1991; FTR Amdt. 17, 56 FR 23656, May 23, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§302-1.6 Time limits for beginning travel and transportation.

All travel, including that for the immediate family, and transportation, including that for household goods allowed under this chapter, shall be accomplished as soon as possible. The maximum time for beginning allowable travel and transportation shall not exceed 2 years from the effective date of the employee's transfer or appointment, except that:

(a) The 2-year period is exclusive of the time spent on furlough for an employee who begins active military service before the expiration of such period and who is furloughed for the duration of his/her assignment to the post of duty for which transportation and travel expenses are allowed;

(b) The 2-year period does not include any time during which travel and transportation is not feasible due to shipping restrictions for an employee who is transferred or appointed to or from a post of duty outside the continental United States; and

(c) The 2-year period shall be extended for an additional period of time not to exceed 1 year when the 2-year time limitation for completion of residence transactions is extended under §302-6.1(e).

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-1.7 Short distance involved.

(a) *Transfers.* When the change of official station involves a short distance (at least 10 miles between stations as provided in §302-1.3(a)(1)) within the same general local or metropolitan area, the travel and transportation expenses and applicable allowances in connection with the employee's relocation of his/her residence shall be authorized only when the agency determines that the relocation was incident to the change of official station. Such determination shall take into consideration such factors as commuting time and distance between the employee's residence at the time of notification of transfer and his/her old and new posts of duty as well as the commuting time and distance between a proposed new residence and the new post of duty. Ordinarily, a relocation of residence shall not be considered as incident to a change of official station unless the one-way commuting distance from the old residence to the new official station is at least 10 miles greater than from the old residence to the old official station. Even then, circumstances surrounding a particular case (e.g., relative commuting time) may suggest that the move of residence was not incident to the change of official station. (See also specific distance limitations applicable to individual allowances; i.e., househunting trips in §302-4.3(c) and eligibility for temporary quarters subsistence expenses in §302-5.4(b).)

(b) *Appointments.* For new appointees, whose place of actual residence at the time of selection for appointment and first duty station are located in the same general local or metropolitan area and who relocate their places of residence as a result of the appointment, the travel and transportation expenses as provided in §302-1.10 shall be authorized only when the agency determines that the relocation of residence was incident to the appointment. To the extent applicable, the principles prescribed for transferred employees shall be considered in making this determination.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23657, May 23, 1991; FTR Amdt. 59, 62 FR 13756, Mar. 21, 1997; FTR Amdt. 63, 62 FR 13768, Mar. 21, 1997]

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§ 302-1.8 Two or more family members employed.

(a) *Members of the same immediate family who are employees.* When two or more employees are members of the same immediate family, the allowances authorized under this chapter shall apply either to:

(1) Each employee separately, in which instance none of the employees is eligible for any allowance as a member of the immediate family; or

(2) Only one of the employees selected in accordance with paragraph (c) of this section, in which case the other employee(s) is eligible for allowances solely as a member(s) of the immediate family.

(b) *Non-employee members of the immediate family.* When two or more employee members of the same immediate family elect separate allowances under paragraph (a)(1) of this section, non-employee members of the immediate family shall not receive duplicate allowances because of the fact that the employee members elected separate allowances.

(c) *Payment limitation.* When employee members of the same immediate family elect separate allowances under paragraph (a)(1) of this section, the employing agency or agencies shall not make duplicate payment for the same expenses.

(d) *Procedures.* A determination as to which of the two alternatives provided in paragraph (a) of this section is selected shall be made in writing and signed by all employee members of the same immediate family. When employee family members elect separate allowances under paragraph (a)(1) of this section, the determination also shall specify under which employee member's authorization non-employee family members will receive allowances. A copy of this determination shall be filed with the agency in which each employee member is employed.

[FTR Amdt. 20, 56 FR 46989, Sept. 17, 1991]

§ 302-1.9 Reduction in force involved.

(a) *Impending separation.* When an employee is assigned to a new official station after having been notified of involuntary separation not for cause but incident to the reduction, cessation, or

transfer of the work at the station where he/she was employed, the transfer of the employee is deemed to be in the interest of the Government unless there is an affirmative administrative determination that the transfer is primarily for the employee's convenience or benefit.

(b) *Reemployment after separation.* A former employee separated by reason of reduction in force or transfer of function who within 1 year of the date of separation is reemployed by an agency for a nontemporary appointment, at a different permanent duty station from that where the separation occurred, may be allowed and paid the expenses and other allowances (excluding nontemporary storage when assigned to an isolated permanent duty station within the continental United States) in the same manner as though he/she had been transferred in the interest of the Government to the permanent duty station where reemployed, from the permanent duty station where separated, without a break in service, and subject to the eligibility limitations as prescribed in this chapter.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-1.10 New appointees.

(a) *Coverage.* New appointees to any position are eligible for payment only of those travel and transportation expenses listed in paragraph (e) of this section in relocating to their first official station. New appointees include student trainees who are assigned upon completion of college work. New appointees include not only individuals when first appointed to Government service but also individuals appointed after a break in service except that employees separated as a result of reduction in force or transfer of function may be treated as transferees instead of new appointees under the conditions set forth in § 302-1.9.

(b) *Authorization and eligibility—(1) Authority to pay.* Agencies may pay the relocation expenses allowed in paragraph (e) of this section for new appointees determined eligible under paragraph (b)(2) of this section. However, once an agency has made the determination to pay relocation expenses in an individual case, it must pay all of

the allowable relocation expenses contained in paragraph (e) of this section.

(2) *Eligibility determination.* Each agency shall establish specific criteria for determining which new appointees qualify for payment of allowable relocation expenses. The Office of Personnel Management has issued guidelines in 5 CFR part 572 for agencies to follow in making these personnel determinations.

(c) *Agency responsibility.* Because new appointees usually lack experience in Government procedures, each agency shall adopt special measures to provide full information to new appointees concerning the benefits which may be available to them for travel and transportation involved in reporting to their official stations. Special care shall be taken to inform appointees of the limitations on available benefits.

(d) *Procedural requirements—(1) Agreement.* No payment for otherwise allowable expenses or for an advance of funds shall be made unless the appointee or student trainee has signed the agreement appropriate in his/her case as provided in § 302-1.5.

(2) *Travel before appointment.* Authorized expenses may be paid even though the individual concerned has not been appointed at the time travel to the first official station is performed. For individuals who have performed Presidential transition activities, as described in § 302-1.3(a)(2), allowable travel and transportation may take place at any time following the most recent Presidential election. However, entitlement to such expenses does not vest by virtue of selection for the position or authorization for travel as provided in § 302-1.3(c) but vests only upon actual appointment of the individual concerned. However, nothing in this paragraph shall be construed to limit the provisions of part 301-1, subpart C, allowing the payment of pre-employment interview travel.

(3) *Prior payment.* A student trainee may not receive payments at the time of his/her assignment if the expenses of travel and transportation were paid at the time he/she was appointed as a student trainee.

(e) *Allowable expenses.* Items of expense listed in paragraphs (e) (1) through (6) of this section are payable

under the conditions prescribed in this chapter governing the allowance in question. Note particularly that not all of the listed items will be applicable in each situation covered by this part.

(1) Travel expenses including per diem for the appointee or student trainee as set forth in § 302-2.1;

(2) Transportation for immediate family of appointee or student trainee as set forth in § 302-2.2(a);

(3) Mileage if privately owned vehicle is used in travel as set forth in § 302-2.3;

(4) Transportation and temporary storage of household goods as set forth in part 302-8;

(5) Nontemporary storage of household goods if appointed to an isolated location as set forth in § 302-9.1; and

(6) Transportation of mobile homes as set forth in part 302-7.

(f) *Expenses not allowable.* Items of expense not listed in paragraph (e) of this section which are authorized for reimbursement in case of transfers under this chapter (e.g., per diem for family, cost of house-hunting trip, subsistence while occupying temporary quarters, a miscellaneous expense allowance, residence sale and purchase expenses, lease-breaking expenses, and relocation services) are not allowable to appointees and student trainees eligible under this section.

(g) *Alternate origin and destination.* The limit on travel and transportation expenses in each individual case is the cost of direct travel or transportation as allowable between the individual's place of residence at the time of selection or assignment (or in the case of individuals having performed Presidential transition activities, as described in § 302-1.3(a)(2), the place of residence at the time of relocation following the most recent Presidential election) and the official station to which he/she is appointed or assigned; however, travel and transportation may be from and/or to other locations if the new appointee or student trainee pays any excess cost involved in such alternate travel or transportation.

(h) *Advance of funds.* An advance of funds for expenses allowable under this section may be made to appointees and student trainees under the procedures prescribed in § 302-1.14(a) and the part

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of this subtitle governing the allowance being considered.

[FTR Amdt. 17, 56 FR 23657, May 23, 1991, as amended by FTR Amdt. 26, 57 FR 28634, June 26, 1992; FTR Amdt. 32, 58 FR 58243, Oct. 29, 1993; FTR Amdt. 37, 59 FR 27488, May 27, 1994]

§ 302-1.11 [Reserved]

§ 302-1.12 Overseas assignment and return.

(a) *Transferees.* Employees transferred to, from, and between official stations outside the continental United States are eligible for many of the benefits provided by this chapter, and employees transferred to such stations are eligible for return transportation under the conditions and limitations contained in paragraphs (c) through (g) of this section. Specific eligibility provisions and applicable limitations are contained in the parts of this chapter relating to the benefits provided.

(b) *New appointees—(1) Residence at time of appointment.* A new appointee to a position outside the continental United States is eligible for certain travel and transportation benefits under this chapter if his/her residence at the time of appointment is in an area other than the area in which his/her official station is located. Under this rule “area” means a foreign country, the continental United States, Alaska, Hawaii, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, or a United States territory or possession.

(2) *Allowable expenses.* Allowances and the parts of this chapter which apply are as follows:

(i) Travel and per diem for appointees as set forth in §302-2.1;

(ii) Travel for the appointee’s immediate family, but not per diem, as set forth in §302-2.2;

(iii) Mileage to the extent travel is performed by privately owned automobile as set forth in §302-2.3;

(iv) Transportation and temporary storage of household goods as set forth in part 302-8;

(v) Nontemporary storage of household goods as set forth in §302-9.2;

(vi) Transportation of mobile homes in limited circumstances as set forth in part 302-7; and

(vii) Transportation of an employee’s personal automobile as set forth in part 302-10.

(3) *Expenses not allowable.* Items of expense not listed in paragraph (b)(2) of this section which are authorized for reimbursement under this chapter in the case of transfers (e.g., per diem for family, cost of house-hunting trip, subsistence while occupying temporary quarters, miscellaneous expense allowance, residence sale and purchase expenses, and lease-breaking expenses) may not be authorized for appointees eligible under this section.

(4) *Alternate origin or destination.* Travel and transportation benefits authorized are from the employee’s residence at time of appointment to his/her official station. If alternate origins or destinations are involved, the cost which will be paid by the Government may not exceed the cost that would have been incurred for the travel or transportation in question between the residence and the official station.

(5) *Advance of funds.* An advance of funds for expenses allowable under paragraph (b)(2) of this section may be made to appointees under the procedures prescribed in §302-1.14(a) and the part of this chapter governing the allowance being considered.

(c) *Actual place of residence designation—(1) Designation by employee.* When an employee is selected for transfer or appointment to a post of duty outside the continental United States, the place of actual residence shall be determined at the time of selection and designated in the written agreement prescribed in §302-1.5(b) to remain in the Government service for a minimum period of time prescribed by the agency head pursuant to law. An employee hired locally at a location outside the continental United States who claims residence at another location in the United States, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, or a United States territory or possession at time of appointment, shall designate in writing the claimed place of actual residence for the consideration of agency officials.

(2) *Determination by agency official.* Determination of the place of actual

residence shall be made by an authorized agency official on the basis of all the facts in the record. When there is doubt as to the place of actual residence, the employee is responsible for supplying any further information necessary to support designation of the claimed place of actual residence.

(3) *Guidance in determination of residence.* While it is not feasible to establish rigid standards for what constitutes a place of residence, the concept of residence represented in an existing statutory provision (8 U.S.C. 1101(33)) may be used as general guidance. This concept views residence as the place of general abode, meaning the principal, actual dwelling place in fact, without regard to intent. Determination of the place of actual residence is primarily an administrative responsibility and the place constituting the actual residence must be determined upon the factual circumstances in each case. Examples of factors which shall be considered, whenever applicable, by agency officials charged with this responsibility are:

(i) The place of actual residence of a dependent student generally is presumed to be the same as that of the parents and, except in rare instances, this situation would not be changed by the student attending college in another place.

(ii) The place at which the employee physically resided at time of selection for appointment or transfer frequently constitutes the place of actual residence and shall be so regarded in the absence of circumstances reasonably indicating that another location may be designated as the place of actual residence.

(iii) Designation of a place of actual residence in an official document signed by the employee earlier in Government employment shall be regarded as originally intended to be a continuing designation, and the burden is upon the employee to establish clearly that the earlier designation was in error or that later circumstances entitle a different designation to be made. After an employee has been transferred or appointed to a post of duty outside the continental United States, the location of the place of actual residence incorporated in the official records of such

employment shall be changed only to correct an error in the designation of residence.

(iv) Presence in the individual's work history of a representative amount of full-time employment at or in the immediate geographic area of the location designated as place of actual residence is a significant factor, but lack of such history does not preclude the designation of the location as place of actual residence.

(v) The chronological record of individual or family association with a locality is usually significant only in connection with an analysis of other circumstances explaining the nature of such association. Frequent or extended visits to a locality must be evaluated in relation to the purpose of the visits and sometimes in relation to the nature of the area itself. For example, vacation visits to a resort area, without the added support of other factors, should not be regarded as adequate to establish a place of actual residence.

(vi) Recognition and exercise by the employee of the privileges and duties of citizenship in a particular jurisdiction, such as voting and payment of taxes on income and personal property are factors for consideration, but agency application of standards about place of residence should not be such as to discourage employees from property ownership or participation in community affairs at a nonforeign location outside the continental United States.

(d) *Return for separation.* When an employee is eligible for return travel and transportation to his/her place of actual residence upon separation after completion of the period of service specified in an agreement executed under §302-1.5(b) or is separated for reasons beyond his/her control and acceptable to the agency concerned, he/she may receive travel and transportation to an alternate location, provided the cost to the Government shall not exceed the cost of travel and transportation to his/her residence at the time he/she was assigned to an overseas station. However, under decisions of the Comptroller General, ordinarily, an employee is entitled to travel and

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transportation expenses upon separation only to the country of actual residence at the time of assignment to such duty.

(e) *Prior return of immediate family*—(1) *When employee is eligible for return transportation.* When an employee has become eligible for return transportation by satisfactorily completing an agreed period of service at a post of duty outside the continental United States, the Government shall pay one-way transportation expenses for returning the employee's immediate family and household goods before the employee's return to his/her place of actual residence in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, or a United States territory or possession.

(2) *Return for compassionate reasons.* One-way transportation expenses for the return of the employee's immediate family and his/her household goods also may be paid without regard to the employee's completion of an agreed period of service provided it has been determined under regulations prescribed by the head of the agency concerned that the public interest requires the return of the immediate family for compelling personal reasons of a humanitarian or compassionate nature, which may involve physical or mental health, death of a member of the immediate family, or obligations imposed by authority or circumstances over which the individual has no control.

(3) *Limited to one return trip.* Expenses allowed as provided in paragraphs (e) (1) and (2) of this section shall be paid by the Government not more than one time during each agreed period of service and are subject to chapter 301 of this title.

(4) *Part of household goods retained overseas.* In connection with the prior return of his/her family, the employee may elect to retain a portion of the household goods with him/her at the post of duty and ship the remainder to his/her place of actual residence. In such an instance, the Government will pay for shipment of both parts of the household goods, provided the aggregate weight of both shipments does not exceed the applicable weight limits.

(5) *Alternate destination.* If the employee's immediate family and household goods are returned to a location in the 50 States, the District of Columbia, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, or a United States territory or possession other than the place of actual residence therein, the allowable expenses shall not exceed those allowable for return over a usually traveled route between the post of duty and the place of actual residence.

(6) *Prior return at employee's expense—reimbursement.* There may be circumstances in which an employee elects to return his/her immediate family and the household goods or any part thereof at his/her own expense to any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, or a United States territory or possession when he/she is not eligible for such transportation under this paragraph. In such an instance, and after the employee becomes eligible for transportation at Government expense, he/she may be reimbursed for the proper expenses which he/she had previously paid. He/She will be reimbursed in accordance with the applicable provisions of this paragraph only for expenses which are supported by receipts or other appropriate documentation furnished to the Government under regulations prescribed by the head of the agency concerned.

(f) *Return of former spouse and dependents.* Paragraph (e) of this section also applies to the spouse and dependents of an employee who have traveled to the employee's overseas post of duty as dependents (as provided in §302-1.4(f)) at Government expense, even if, because of divorce or annulment, such individuals will have ceased to be dependents as of the date the employee becomes eligible for return travel. Travel of such former dependents is authorized by the employee's next entitlement to return travel but not beyond the end of the employee's current agreed tour of duty.

(g) *Return of family member over 21.* If a member of the immediate family, as defined in §302-1.4(f), reaches his/her twenty-first birthday while the employee is assigned to duty overseas, that person may be returned to the

United States (or foreign location at which the actual residence is located) at Government expense, provided his/her last travel overseas was at Government expense as a member of the employee's immediate family. Return of that person is authorized by the employee's next entitlement to travel to the United States (or foreign location at which the actual residence is located) but not beyond the end of the employee's current agreed tour of duty.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 10, 55 FR 41536, Oct. 12, 1990; FTR Amdt. 17, 56 FR 23657, May 23, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§302-1.13 Overseas tour renewal agreement travel.

Employees may be eligible to receive allowances for travel and transportation expenses for the purpose of returning home to take leave between tours of duty overseas as provided in this section. These provisions are applicable to employees serving tours of duty at posts of duty outside the United States. These provisions are also applicable to employees serving tours of duty in Alaska or Hawaii but only under the conditions specified in paragraphs (a) (2) and (3) of this section.

(a) *Eligibility.* Employees may be eligible to receive allowances for travel and transportation expenses for returning home between tours of duty overseas under the criteria set forth in paragraphs (a) (1) through (3) of this section.

(1) *Eligibility requirements for all areas outside the continental United States.* In order to be eligible for allowances under this section, an employee before departure from his/her post of duty outside the continental United States must have:

(i) Satisfactorily completed an agreed period of service or the prescribed tour of duty as provided in §302-1.5(b) for return travel entitlement;

(ii) Entered into a new written agreement as provided in §302-1.5(b) for another period of service at the same or another post of duty outside the continental United States. The agreement shall cover costs incident to the travel to the employee's place of actual residence or alternate location and return

and any additional cost paid by the Government as a result of a transfer of the employee to another official station overseas at the time of the tour renewal agreement travel; but as provided in §302-1.5(b), the agreement will be for 12 months with respect to the transfer costs; and

(iii) Qualified for eligibility status under the provisions of paragraphs (a) (2) and/or (3) of this section, if the post of duty involved is located in Alaska or Hawaii.

(2) *Employees stationed in Alaska or Hawaii on September 8, 1982.* An employee whose status on September 8, 1982, was any one of the situations listed in paragraph (a)(2) (i), (ii), or (iii) of this section involving a post of duty in Alaska or in Hawaii will continue to be eligible to receive allowances for travel and transportation expenses for tour renewal agreement travel provided the employee continues to serve consecutive tours of duty at posts of duty within Alaska or at posts of duty within Hawaii. Transfers between a post of duty in Alaska and a post of duty in Hawaii will not constitute consecutive tours of duty for purposes of continuing eligibility under this section. On September 8, 1982, the employee must have been:

(i) Serving a current tour of duty in Alaska or Hawaii;

(ii) En route to a post of duty in Alaska or Hawaii under a written agreement to serve a tour of duty; or

(iii) Engaged in tour renewal agreement travel and have entered into a new written agreement to serve another tour of duty in Alaska or in Hawaii.

(3) *Employees assigned, appointed, or transferred to a post of duty in Alaska or Hawaii after September 8, 1982.* (i) Except for situations described in paragraph (a)(2) of this section, the travel and transportation expenses allowable for tour renewal agreement travel under this section may not otherwise be authorized for employees assigned, appointed, or transferred to a post of duty in Alaska or Hawaii after September 8, 1982, unless it is determined under regulations prescribed by the agency head that payment of these expenses is necessary for the purpose of recruiting or retaining an employee for

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service of a tour of duty at a post of duty in Alaska or Hawaii. This authority must be used sparingly and only when required to fulfill agency staffing needs to accomplish the agency's mission. These provisions are intended to ensure the availability of well qualified employees or those employees with special skills and knowledge who are not available in the local area, and to fill positions in remote areas. Agency regulations shall prescribe criteria and guidelines to determine the need for payment of tour renewal agreement travel expenses. The agency determination that it is necessary to pay the expenses of tour renewal agreement travel as a recruiting or retention incentive in order to fill a particular position in Alaska or Hawaii shall be reviewed periodically but not less than every 5 years.

(ii) The payment of travel and transportation expenses for tour renewal agreement travel for recruiting or retention purposes is limited to two round trips beginning within 5 years after the date the employee first begins any period of consecutive tours of duty in Alaska or Hawaii. Employees shall be advised in writing of this limitation.

(4) *Effect on other allowances.* Paragraphs (a) (2) and (3) of this section do not affect the provisions of §302-1.12 governing overseas assignments and return for employees transferred or new appointees to posts of duty in Alaska and Hawaii.

(b) *Allowable travel and transportation—(1) Destination.* An eligible employee and his/her immediate family shall be allowed expenses for travel from the post of duty outside the continental United States to his/her place of actual residence at the time of assignment to a post of duty outside the continental United States (also referred to as "actual residence" in this section). Those expenses shall also be allowed from the place of actual residence upon return to the same or another post of duty outside the continental United States; except with respect to Alaska and Hawaii, the return must be to a post of duty located within the same State (Alaska or Hawaii) as the post of duty at which the employee served immediately before tour

renewal agreement travel (see paragraph (a)(2) of this section).

(2) *Allowances.* These allowances are payable under chapter 301 of this title and are limited to per diem and transportation costs for the employee and transportation costs, but not per diem, for his/her immediate family. (See §302-2.1.) If a transfer is also involved, family per diem may be paid as authorized by §302-2.2(b) to the extent such per diem is payable incident to direct travel between posts of duty.

(3) *Alternate destination.* An employee and his/her family may travel to a location in the United States, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, a United States territory or possession, or another country in which the place of actual residence is located other than the location of the place of actual residence; however, an employee whose actual residence is in the United States must spend a substantial amount of time in the United States, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, or a United States territory or possession incident to travel under this section to be entitled to the allowance authorized. The amount allowed for travel and transportation expenses when travel is to an alternate location shall not exceed the amount which would have been allowed for travel over a usually traveled route from the post of duty to the place of actual residence and for return to the same or a different post of duty outside the continental United States as the case may be.

(c) *Limitations—(1) Husband and wife both employed.* If husband and wife are both employed in the immediate geographic area by the same or different agencies as employees under the terms of this chapter, the allowances authorized in this section shall apply to each of them separately, in which instance neither of them is eligible for any allowances as the spouse, or to either of them, in which instance one is considered the head of the household and the other is eligible for allowances as the spouse. In applying these alternatives, other members of the immediate family shall not receive duplicate allowances because of the fact that both

husband and wife are employees. A determination as to which of the two alternatives is selected shall be made in writing and shall be signed by both husband and wife. A copy of this determination shall be filed with the agency in which each is employed.

(2) *Local hires not eligible*—(i) *Married persons in area with spouse.* An employee hired locally is not eligible for allowances under this section if he/she is married and is in the immediate geographic area because his/her spouse is in the area as a member of the Foreign Service, a member of the uniformed services (as defined in title 37, U.S.C.), a private individual, or an employee of a private individual or a non-Federal organization.

(ii) *Minors in area with parents.* An employee hired locally who is unmarried and under 21 years of age is not eligible for allowances under this section if a parent of the employee is in the immediate geographic area as a member of the Foreign Service, a member of the uniformed services (as defined in title 37, U.S.C.), a civilian employee under the terms of this subtitle, a private individual, or an employee of a private individual or a non-Federal organization.

(iii) *Denial of allowance to eligible local hires.* Under regulations prescribed by the head of the agency concerned, the agency may in its discretion refuse eligibility for allowances under this subpart to an employee who was hired locally and who did not sign a written agreement as provided under §302-1.5(b), provided the agency notifies the employee of its intention before the employee has completed a period of service equal to the period generally applicable to employees of the agency serving at the post of duty concerned or in the same geographic area.

(d) *Liability of employee—noncompliance with new agreement.* An employee who, for reasons not beyond his/her control and not acceptable to the agency concerned, fails to complete the period of service specified in a new service agreement is obligated for expenses and for allowances paid to him/her.

(1) *Failure to complete initial year of service.* (i) If the employee fails to complete 1 year of service under a new agreement, he/she is indebted to the

Government for any amounts spent by the Government for:

(A) His/her transportation and per diem and transportation for his/her immediate family incident to tour renewal agreement travel from the post of duty to his/her place of actual residence and from the place of actual residence to the last post of duty where he/she failed to complete a year of service;

(B) Transportation for any member of the immediate family who traveled from the former to the last post of duty without going to the actual place of residence;

(C) Transportation of his/her household goods from the former post of duty to the last post of duty (including amounts spent for packing, crating, drayage, unpacking, and temporary storage); and

(D) Any other allowances paid under this subtitle when a transfer of official station is involved.

(ii) In addition, the employee must bear the expense of transportation for himself/herself, and the family and household goods from the last post of duty to the place of actual residence, and he/she is indebted to the Government for any amounts spent by the Government for these purposes.

(iii) The employee is entitled to an allowance if, prior to his/her current agreement which he/she did not complete, he/she completed an agreed period of service for which he/she did not receive all allowances to which he/she was entitled. The employee in such an instance is entitled to allowances for the return of himself/herself, and the family and household goods (including costs of packing, crating, drayage, unpacking, and temporary storage) from the post of duty at which the former period of service was completed to the actual place of residence.

(iv) Since the employee did not avail himself/herself of the entitlement described in paragraph (d)(1)(iii) of this section, the costs that would have been incurred for that purpose may be applied as a setoff against the indebtedness described in paragraphs (d)(1) (i) and (ii) of this section. The setoff amount shall be applied as follows:

(A) If the amount of the setoff is less than the indebtedness, the difference is a debt due the United States; or

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(B) If the setoff is larger than the indebtedness, the difference (excess setoff) will be applied to the costs, for which the employee is responsible, of moving the employee, and the family and household goods from the post of duty where he/she failed to complete a year of service to the place of actual residence. If the amount of excess setoff equals or exceeds the costs for which the employee is responsible, the Government will procure and pay for such transportation in full. If the amount of excess setoff is less than the costs for which the employee is responsible, the Government may procure and pay for the transportation and obtain reimbursement from the employee for the difference between the total costs and the amount of the excess setoff to be applied against the costs, or allow the employee to pay the total costs and reimburse him/her for the applicable amounts upon submission of an appropriate voucher.

(2) *Failure to complete agreed period after initial year.* (i) If the employee completes 1 year or more of service under a new agreement, but does not complete the entire period of service specified in the agreement, he/she is not indebted to the Government for amounts spent by the Government for transportation and per diem for the employee and for transportation of his/her immediate family incident to tour renewal agreement travel from the post of duty at which he/she completed the previous tour of duty to his/her place of actual residence and from the place of actual residence to the post of duty at which he/she failed to complete the agreed upon tour of duty. Furthermore, if the post of duty where the employee failed to complete his/her agreement is not the same as the place where he/she did complete his/her previous assignment, he/she is not indebted for the costs of transporting any members of the immediate family who traveled from the former to the latter post of duty without going to the actual place of residence, nor for the costs of transporting his/her household goods between these two posts of duty, including any related costs of packing, crating, drayage, unpacking, and temporary storage or for other allowances

paid under this chapter incident to the transfer of official station.

(ii) However, when the employee fails to complete the agreed period of service after the initial year, the employee must bear the costs of transportation for himself/herself and the immediate family and household goods from the post of duty at which he/she did not complete the agreed upon tour of duty under the new agreement to the place of actual residence.

(iii) For the reasons described in paragraph (d)(1)(iii) of this section, however, the employee shall be allowed credit for an amount equal to the costs of transporting, from the post of duty at which the former period of service was completed to the place of actual residence, the household goods and any members of the immediate family who did not accompany him/her when he/she returned to the place of actual residence incident to renewal agreement travel toward the costs (see paragraph (d)(2)(ii) of this section) of return to the place of actual residence.

(iv) The credit amount allowable and the costs involved shall be computed in the same manner as provided in paragraph (d)(1)(iv) of this section.

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 10, 55 FR 41536, Oct. 12, 1990; FTR Amdt. 16, 56 FR 15050, Apr. 15, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§302-1.14 Use of funds.

(a) *Advance of funds*—(1) *Basis.* An employee may be advanced funds for use while traveling and for certain expenses which he/she may incur incident to a transfer based on his/her prospective entitlement to reimbursement for those expenses after they are incurred.

(2) *Rules.* Advances and collection of advances by deduction from the employee's voucher are subject to chapter 301 of this title.

(3) *Anticipated entitlements which may justify an advance.* The expected entitlement of an employee to reimbursement for the following expenses will form the basis for payment of a travel advance. Specific authority with regard to each type of expense is contained in the sections governing the particular allowances.

(i) Per diem, mileage, and common carrier costs incident to his/her change

of official station travel as set forth in § 302-2.4;

(ii) Authorized househunting trips as set forth in § 302-4.16 of this chapter;

(iii) Subsistence while occupying temporary quarters as set forth in § 302-5.15 of this chapter;

(iv) Transportation and temporary storage of household goods as set forth in § 302-8.6;

(v) Transportation of mobile homes as set forth in § 302-7.5; and

(vi) Transportation and emergency storage of employee's privately owned vehicle as set forth in § 302-10.11 of this chapter.

(b) *Funding of transfers between agencies.* In the case of transfer from one agency to another, allowable expenses shall be paid from the funds of the agency to which the employee is transferred. However, in transfers between agencies for reasons of reduction-in-force or transfer of functions, expenses allowable under this chapter may be paid in whole or in part by the agency from which the employee is transferred or by the agency to which he/she is transferred as may be agreed upon by the heads of the agencies concerned except as excluded in paragraphs (b) (1) and (2) of this section.

(1) Nontemporary storage when assigned to an isolated permanent duty station within the continental United States; and

(2) Transfers to, from, or between foreign countries (except the areas and installations in the Republic of Panama made available to the United States under the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979)).

[54 FR 20306, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992; FTR Amdt. 59, 62 FR 13756, Mar. 21, 1997; FTR Amdt. 63, 62 FR 13768, Mar. 21, 1997; FTR Amdt. 65, 62 FR 13794, Mar. 21, 1997]

§ 302-1.15 Waiver of limitations for an employee relocating to or from a remote or isolated location.

The head of an agency or his/her designee may waive any limitation contained in subchapter II of chapter 57 of title 5, United States Code, or in any regulation (including this chapter) implementing those statutory provisions,

for any employee relocating to or from a remote or isolated location when the following conditions are met:

(a) The limitation if not waived would cause the employee to suffer a hardship; and

(b) The head of the agency or his/her designee certifies in writing that the limitation is waived and the reason(s) for the waiver.

[FTR Amdt. 58, 62 FR 10709, Mar. 10, 1997]

Subpart B—Relocation Entitlements Upon Separation for Retirement

§ 302-1.100 Applicability.

(a) *Individuals covered*—(1) *Career appointees to the Senior Executive Service (SES).* The provisions of this subpart are applicable to career appointees in SES positions. For purposes of this subpart, the definitions in paragraphs (a)(1) (i) and (ii) of this section apply.

(i) *Career appointee* as defined in 5 U.S.C. 3132(a)(4) means an individual in an SES position whose appointment to the position or previous appointment to another SES position was based on approval by the Office of Personnel Management of the executive qualifications of such individual.

(ii) *Senior Executive Service (SES) position* as defined in 5 U.S.C. 3132(a)(2) means:

(A) Any position in an agency which is classified above GS-15 of the General Schedule pursuant to 5 U.S.C. 5108 or is in Level IV or V of the Executive Schedule; or

(B) An equivalent position which is not required to be filled by an appointment by the President by and with the advice and consent of the Senate, and is a position which includes one or more of the duties listed in 5 U.S.C. 3132(a)(2).

(2) *Appointees who elect to retain SES retirement benefits.* The provisions of this subpart are applicable to a non-SES appointee if the conditions listed in paragraphs (a)(2) (i) through (iii) of this section are met:

(i) The appointee's basic rate of pay is at Level V of the Executive Schedule or higher;

(ii) The appointee was previously a career appointee in the SES; and

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(iii) The appointee elected under 5 U.S.C. 3392(c) to retain SES retirement benefits.

(3) *Medical Center Directors.* The provisions of this subpart are applicable to individuals who:

(i) Served as a director of a Department of Veteran's Affairs medical center under 38 U.S.C. 4103(a)(8) as in effect on November 17, 1988;

(ii) Separated from Government service on or after October 2, 1992; and

(iii) Are not otherwise covered under paragraph (a) (1) or (2) of this section.

(b) *Immediate family of deceased covered individual.* The provisions of this subpart apply to the immediate family of a covered individual, as defined in paragraph (a)(1) of this section, who satisfies the eligibility criteria in §302-1.101, and who:

(1) Died in Government service on or after January 1, 1994; or

(2) Died after separating from Government service but before travel and/or transportation authorized under this subpart were completed.

(c) *Exclusions.* The provisions of this subpart are not applicable to individuals whose appointment in the SES is a limited term, limited emergency, or noncareer appointment. (See 5 U.S.C. 3132(a) (5) through (7) for definitions of excluded types of appointment.)

[FTR Amdt. 32, 58 FR 58243, Oct. 29, 1993, as amended by 62 FR 26374, May 13, 1997]

§302-1.101 Eligibility criteria.

Upon separation from Federal service for retirement, a covered individual as defined in §302-1.100(a) of this subpart (or a deceased covered individual's immediate family as described in §302-1.100(b)) is eligible for those travel and transportation allowances specified in §302-1.103 of this subpart, if such individual meets the following criteria:

(a) Was transferred or reassigned geographically at any time in the interest of the Government and at Government expense from one official station to another for permanent duty in a position described in §302-1.100(a) of this subpart, including a transfer or reassignment:

(1) From an SES career appointment to another SES career appointment;

(2) From an SES career appointment to an appointment outside the SES at

a rate of pay equal to or higher than Level V of the Executive Schedule, and the employee elects to retain SES retirement benefits under 5 U.S.C. 3392; or

(3) From other than an SES career appointment, including an appointment in a civil service position outside the SES, to an SES career appointment;

(b) At the time of the transfer or reassignment:

(1) Was eligible to receive an annuity for optional retirement under section 8336(a), (b), (c), (e), (f), or (j) of subchapter III of chapter 83 (Civil Service Retirement System (CSRS)) or under section 8412 of subchapter II of chapter 84 (Federal Employees Retirement System (FERS)) of title 5, U.S.C.; or

(2) Was within 5 years of eligibility to receive an annuity for optional retirement under one of the authorities in paragraph (b)(1) of this section; or

(3) Was eligible to receive an annuity based on discontinued service retirement, or early voluntary retirement under an OPM authorization, under section 8336(d) of subchapter III of chapter 83 or under section 8414(b) of subchapter II of chapter 84 of title 5, U.S.C.;

(c) Is separated from Federal service on or after September 22, 1988;

(d) Is eligible to receive an annuity upon such separation (or, in the case of death in Government service, met the requirements for being considered eligible to receive an annuity, as of the date of death) under the provisions of subchapter III of chapter 83 (CSRS) or chapter 84 (FERS) of title 5, U.S.C., including an annuity based on optional retirement, discontinued service retirement, early voluntary retirement under an OPM authorization, or disability retirement; and

(e) Has not previously been authorized and received "last move home" benefits upon separation from Federal service for retirement.

[FTR Amdt. 16, 56 FR 15050, Apr. 15, 1991; 56 FR 28796, June 24, 1991, as amended by FTR Amdt. 32, 58 FR 58243, Oct. 29, 1993; 62 FR 26375, May 13, 1997]

§ 302-1.102 Agency authorization or approval.

Covered individuals. An individual who is eligible for moving expenses under this subpart shall submit a request to the designated agency official for authorization or approval of the moving expenses stating tentative moving dates and origin and destination locations of the planned move. Such requests shall be submitted in a format and timeframe as prescribed by agency policy and procedures.

(b) *Immediate family of deceased covered individual.* Travel and transportation under this subpart are payable for the immediate family of a covered individual who died while in Government service during the period beginning on January 1, 1994, and ending October 6, 1994, upon the immediate family's written application submitted to the designated agency official by May 13, 1998.

[62 FR 26375, May 13, 1997]

§ 302-1.103 Allowable expenses.

When the head of the agency concerned, or his/her designee, authorizes or approves, the travel and transportation expenses specified in this section shall be paid for those individuals who are eligible for such expenses under § 302-1.101. Allowable expenses are as follows:

(a) Travel expenses including per diem under § 302-2.1 for the individual.

(b) Transportation expenses under § 302-2.2(a), but not per diem, for the individual's immediate family.

(c) Mileage allowance under § 302-2.3, to the extent travel is performed by privately owned automobile.

(d) Transportation and temporary storage of household goods under part 302-8 not to exceed 18,000 pounds net weight.

[FTR Amdt. 16, 56 FR 15050, Apr. 15, 1991; 56 FR 28796, June 24, 1991]

§ 302-1.104 Expenses not allowable.

Items of expense not listed in § 302-1.103 which generally are authorized for reimbursement in the case of transferred employees; (e.g., per diem for family, cost of househunting trip, subsistence while occupying temporary quarters, miscellaneous expense allow-

ance, residence sale and purchase expenses, leasebreaking expenses, non-temporary storage of household goods, relocation income tax allowance, and relocation services) are not authorized upon the eligible individual's retirement.

[FTR Amdt. 16, 56 FR 15050, Apr. 15, 1991, as amended by FTR Amdt. 32, 58 FR 58244, Oct. 29, 1993]

§ 302-1.105 Origin and destination.

(a) The expenses listed in § 302-1.103 may be paid from the official station where separation of the eligible individual occurs to the place where the individual has elected to reside within the United States, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, a United States territory or possession, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States under the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979)); or if the individual dies before separating or after separating but before the travel and transportation are completed, expenses may be paid from the deceased individual's official station at the time of death or where separation occurred, as appropriate, to the place within the areas listed in this paragraph where the immediate family elects to reside even if different from the place elected by the separated eligible individual.

(b) Travel and transportation expenses may be paid from an alternate origin or more than one origin provided the cost does not exceed the cost that the Government would have paid if all travel and transportation had originated at the official station from which the individual was separated to the place where the individual, or the immediate family, will reside.

(c) This subpart contemplates a move to a different geographical area. In the event the place where the individual has elected to reside is within the same general local or metropolitan area in which the official station or residence was located at the time of the individual's separation, the expenses authorized by this subpart may not be paid unless the mileage criteria

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specified in § 302-1.7 for a short distance transfer are met.

[54 FR 29716, July 14, 1989, as amended by FTR Amdt. 16, 56 FR 15050, Apr. 15, 1991; 56 FR 28796, June 24, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992; FTR Amdt. 32, 58 FR 58244, Oct. 29, 1993; 62 FR 26375, May 13, 1997]

§ 302-1.106 Time limits for beginning travel and transportation.

(a) Except as provided in paragraph (b) of this section, all travel, including that for the separated covered individual, and transportation, including that for household goods, allowed under this subpart, shall be accomplished within 6 months of the date of separation (or date of death if the individual died before separating), or other reasonable period of time as determined by the agency concerned, but in no case later than 2 years from the effective date of the individual's separation from Government service (or date of death if the individual died before separating).

(b) For the immediate family of a covered individual who died in Government service between January 1, 1994 and May 13, 1997, all travel and transportation, including that for household goods, allowed under this subpart, shall be accomplished no later than May 13, 1999.

[62 FR 26375, May 13, 1997]

§ 302-1.107 Use of funds.

Travel advances will not be issued to cover any of the expenses authorized by this subpart. Transportation expenses should be paid through the use of U.S. Government Transportation Requests and U.S. Government Bills of Lading to the maximum extent possible to minimize travel and transportation costs and the need for individuals to use personal funds. However, individuals who have been authorized or approved to make their own moving arrangements may be reimbursed for their actual transportation expenses not to exceed applicable coach air fares for transportation of the individual and immediate family, or the applicable allowances under the commuted rate schedule for moving and storage of the household goods.

[FTR Amdt. 16, 56 FR 15051, Apr. 15, 1991]

Subpart C—Employee's Temporary Change of Station

SOURCE: FTR Amdt. 64, 62 FR 13771, Mar. 21, 1997, unless otherwise noted.

NOTE TO SUBPART C: Use of the pronouns "I" and "you" throughout this subpart refers to the employee.

§ 302-1.200 What is a "temporary change of station (TCS)"?

TCS means the relocation of an employee to a new official station for a temporary period while the employee is performing a long-term assignment, and subsequent return of the employee to the previous official station upon completion of that assignment.

§ 302-1.201 What is the purpose of a TCS?

TCS provides agencies an alternative to a long-term temporary duty travel assignment to increase employee satisfaction and enhance morale, reduce the employee's income tax liability, and save the Government money.

§ 302-1.202 Am I eligible for a TCS?

Yes, if you are an employee who is directed to perform a long-term assignment at a temporary location, and you otherwise would be eligible for payment of temporary duty travel allowances authorized under chapter 301 of this subtitle. For exceptions, see § 302-1.203.

§ 302-1.203 Who is not eligible for a TCS?

The following individuals are not eligible for a TCS:

- (a) A new appointee;
- (b) An employee assigned to or from a State or local Government under the Intergovernmental Personnel Act (5 U.S.C. 3372, et. seq.);
- (c) An individual employed intermittently in the Government service as a consultant or expert and paid on a daily when-actually-employed (WAE) basis;
- (d) An individual serving without pay or at \$1 a year; or
- (e) An employee assigned under the Government Employees Training Act (5 U.S.C. 4109).

§ 302-1.204 Must my agency authorize a TCS when I am directed to perform a long-term assignment at a temporary official station?

No. Your agency determines the conditions under which a TCS is necessary to accomplish the purposes of the Government effectively and economically.

§ 302-1.205 Under what circumstances will my agency authorize a TCS?

Your agency will authorize a TCS when:

(a) You are directed to perform a long-term assignment at another duty station;

(b) Your agency otherwise could authorize temporary duty travel and pay travel allowances, including payment of subsistence expenses, under chapter 301 of this subtitle for the long-term assignment;

(c) Your agency determines it would be more advantageous, cost and other factors considered, to authorize a TCS; and

(d) You meet any additional conditions your agency has established.

§ 302-1.206 If my agency authorizes a TCS, do I have the option of electing payment of temporary duty travel allowances instead?

No.

§ 302-1.207 How long must my assignment be for me to qualify for a TCS?

Not less than 6 months, nor more than 30 months.

§ 302-1.208 What is the effect on my TCS reimbursement if my assignment lasts less than 6 months?

Your agency may authorize a TCS only when a long-term assignment is expected to last 6 months or more. If your assignment is cut short for reasons other than separation from Government service, you will be paid TCS expenses.

§ 302-1.209 What is the effect on my TCS reimbursement if my assignment lasts more than 30 months?

If your assignment exceeds 30 months, your agency must permanently assign you to the temporary official station or return you to your previous official station. Your agency may

not pay for nontemporary storage or property management services incurred after the last day of the thirtieth month. Your agency must pay the expenses of returning you and your immediate family and household goods to your previous official station unless you are permanently assigned to your temporary official station.

§ 302-1.210 Is there any required minimum distance between an official station and a long-term assignment location that must be met for me to qualify for a TCS?

No. Your agency may establish the area within which it will not authorize a TCS.

§ 302-1.211 Must I sign a service agreement to qualify for a TCS?

No.

§ 302-1.212 What is my official station during my long-term assignment?

Your official station is the location of your long-term assignment.

EXPENSES PAID UPON ASSIGNMENT

§ 302-1.213 What expenses must my agency pay for a TCS upon my assignment?

Your agency must pay the following:

(a) Travel, including per diem, for you and your immediate family under part 302-2 of this chapter;

(b) Transportation and temporary storage of your household goods under part 302-8 of this chapter;

(c) Transportation of a mobile home instead of transportation of household goods under part 302-7 of this chapter;

(d) A miscellaneous expenses allowance under part 302-3 of this chapter;

(e) Transportation of a privately owned vehicle(s) under part 302-10 of this chapter; and

(f) A relocation income tax allowance under part 302-11 of this chapter for additional income taxes you incur on payments your agency makes under the authority of this section and § 302-1.214 for your relocation expenses.

§ 302-1.214 What expenses may my agency pay for a TCS upon my assignment?

Your agency may pay the following:

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(a) Househunting trip expenses under part 302-4 of this chapter; and

(b) Temporary quarters subsistence expenses under part 302-5 of this chapter.

EXPENSES PAID DURING ASSIGNMENT

§302-1.215 If my agency authorizes a TCS, will it pay for nontemporary storage of my household goods?

Yes, when nontemporary storage is necessary. Nontemporary storage expenses include necessary packing, crating, unpacking, uncrating, transporting to and from place of storage, charges while in storage, and other necessary charges directly related to storage.

§302-1.216 How long may my agency pay for nontemporary storage of household goods?

For the duration of your long-term assignment.

§302-1.217 Is there any limitation on the combined weight of household goods I may transport or nontemporarily store at Government expense?

Yes, the maximum combined weight is 18,000 pounds net weight. If you transport and/or nontemporarily store household goods in excess of the maximum weight allowance, you will be responsible for any excess cost.

§302-1.218 What are the income tax consequences if my agency pays for nontemporary storage of my household goods?

You will be taxed on the amount of nontemporary storage expenses your agency pays. However, your agency will pay you a relocation income tax allowance under part 302-11 of this chapter for substantially all of the additional Federal, State and local income taxes you incur on the expenses your agency pays.

§302-1.219 Will my agency pay for property management services when I am authorized a TCS?

Yes. Your agency will reimburse you directly for expenses you incur or make payments on your behalf to a relocation services company, if you so choose. The term "property management services" refers to a program provided by a private company for a fee, which assists you in managing your residence at your previous official station as a rental property. Services provided by the company may include, but are not limited to, obtaining a tenant, negotiating a lease, inspecting the property regularly, managing repairs and maintenance, enforcing lease terms, collecting the rent, paying the mortgage and other carrying expenses from rental proceeds and/or funds of the employee, and accounting for the transactions and providing periodic reports to the employee.

§302-1.220 What is the property for which my agency will pay for property management services?

Only your residence at your previous official station.

§302-1.221 How long will my agency pay for property management services?

For the duration of your long-term assignment.

§302-1.222 What are the income tax consequences when my agency pays for property management services?

You will be taxed on the amount of property management expenses your agency pays, whether it reimburses you directly for your expenses or pays a relocation services company to manage your residence. However, your agency will pay you a relocation income tax allowance under part 302-11 of this chapter for substantially all of the additional Federal, State and local income taxes you incur on the expenses your agency pays. You may wish to consult with a tax advisor to determine whether you will incur any additional tax liability, unrelated to your agency

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s payment of your property management expenses, as a result of maintaining your residence as a rental property.

EXPENSES PAID UPON COMPLETION OF
ASSIGNMENT OR UPON SEPARATION
FROM GOVERNMENT SERVICE

§302-1.223 What expenses will my agency pay when I complete my long-term assignment?

Your agency will pay the following expenses in connection with your return to your previous official station:

- (a) Travel, including per diem, for you and your immediate family under part 302-2 of this chapter;
- (b) Transportation and temporary storage of your household goods under part 302-8 of this chapter;
- (c) Transportation of a mobile home instead of transportation of your household goods under part 302-7 of this chapter;
- (d) Temporary quarters subsistence expenses under part 302-5 of this chapter;
- (e) A miscellaneous expenses allowance under part 302-3 of this chapter;
- (f) Transportation of a privately owned vehicle(s) under part 302-10 of this chapter; and
- (g) A relocation income tax allowance under part 302-11 of this chapter for additional income taxes you incur on payments your agency makes under the authority of this section for your relocation expenses.

§302-1.224 If I separate from Government service upon completion of my long-term assignment, what relocation expenses will my agency pay upon my separation?

The same relocation expenses it would have paid had you not separated from Government service upon completion of your long-term assignment.

§302-1.225 If I separate from Government service prior to completion of my long-term assignment, what relocation expenses will my agency pay upon my separation?

If the separation is for reasons beyond your control that are acceptable to your agency, your agency will pay the same relocation expenses it would pay under §302-1.224 if you separated from Government service upon comple-

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tion of the long-term assignment. If this is not the case, the expenses your agency pays may not exceed the reimbursement that you would have received under chapter 301 of this subtitle had you been authorized to perform temporary duty travel for the duration of the long-term assignment.

§302-1.226 If I have been authorized successive temporary changes of station and reassigned from one temporary official station to another, what expenses will my agency pay upon completion of my last assignment or my separation from Government service?

Your agency will pay the expenses authorized in §302-1.223 for your relocation from your current temporary official station to your last permanent official station.

PERMANENT ASSIGNMENT TO TEMPORARY
OFFICIAL STATION

§302-1.227 How is payment of my TCS expenses affected if I am permanently assigned to my temporary official station?

Payment of TCS expenses stops once your temporary official station becomes your permanent official station. Your agency may not pay any TCS expenses incurred beginning the day your temporary official station becomes your permanent official station.

§302-1.228 What relocation allowances may my agency pay when I am permanently assigned to my temporary official station?

Your agency may pay the following:

- (a) Travel, including per diem, under part 302-2 of this chapter for one round trip between your temporary official station and your previous official station for you and members of your immediate family who relocated to the temporary official station with you. Your agency may also pay the same expenses for a one-way trip from the previous official station to the new permanent official station for any immediate family members who did not accompany you to the temporary official station.
- (b) Residence transaction expenses under part 302-6 of this chapter;
- (c) Property management expenses under part 302-14 of this chapter;

(d) Residence-related relocation services expenses, (e.g. expenses under a homesale program, expenses for homefinding assistance, and property management services) under part 302-12 of this chapter;

(e) Temporary quarters subsistence expenses under part 302-5 of this chapter;

(f) Transportation of household goods not previously transported to the temporary official station under part 302-8 of this chapter; and

(g) Transportation of a privately owned vehicle(s) not previously transported to the temporary official station under part 302-10 of this chapter.

§302-1.229 If I am permanently assigned to my temporary official station, is there any limitation on the weight of household goods I may transport at Government expense to my official station?

Yes. You are limited to 18,000 pounds net weight. This maximum weight will be reduced by the weight of any household goods transported at Government expense to your temporary official station under your TCS authorization. Subject to the 18,000 pound limit, your agency will pay to transport any household goods in nontemporary storage to your official station. Additionally, if you change your residence as a result of your permanent assignment to your temporary official station, your agency may pay for transporting your household goods, subject to the 18,000 pound limit, between the residence you occupied during your temporary assignment and your new residence.

§302-1.230 Are there any relocation allowances my agency may not pay if I am permanently assigned to my temporary official station?

Your agency may not pay for the following:

(a) Expenses of a househunting trip for you and your spouse to your temporary official station under part 302-4 of this chapter; or

(b) Residence transaction expenses for selling a residence or breaking a lease at the temporary official station under part 302-6 of this chapter.

Subpart D—Agency Responsibilities for Temporary Change of Station

SOURCE: FTR Amdt. 64, 62 FR 13774, Mar. 21, 1997, unless otherwise noted.

NOTE TO SUBPART D: Use of the pronouns “we” and “you” throughout this subpart refers to the agency.

§302-1.300 How should we administer our TCS program?

To minimize your travel and relocation costs.

§302-1.301 What governing policies must we establish for our TCS program?

Policies and procedures that govern:

(a) When you will authorize a TCS, including whether you will impose a minimum distance between the employee's current official station and the proposed temporary official station for an employee to qualify for a TCS; and

(b) Who will determine whether authorization of a TCS is appropriate in each situation.

§302-1.302 What factors should we consider in determining whether to authorize a TCS for a long-term assignment?

You should consider the following factors in determining whether to authorize a TCS:

(a) *Cost considerations.* You should consider the cost of each alternative. A long-term temporary duty travel assignment requires the payment of either per diem or actual subsistence expenses for the entire period of the assignment. This could be very costly to the agency over an extended period. A TCS will require fairly substantial relocation allowance payments at the beginning and end of the assignment, and less substantial payments for nontemporary storage and property management services, when authorized, during the period of the assignment. Agencies should estimate the total cost of each alternative and authorize the one that is most advantageous for the agency, cost and other factors considered.

(b) *Length of the long-term assignment.* You should consider the length of the

long-term assignment. The purpose of temporary duty travel allowances is to reimburse an employee for additional costs, including subsistence costs, incurred as a result of performing official business away from his/her official station. An employee receives a salary intended to cover his/her living expenses, including subsistence costs, at the official station. When an employee performs a long-term assignment and obtains extended stay living accommodations with facilities not unlike those the employee has at the official station, the assignment characteristics may be more similar to subsisting at the official station than at a temporary duty station. When this situation occurs, payment of temporary duty travel allowances in addition to payment of salary creates an inequitable reimbursement situation between an employee performing official travel and an employee officially stationed at the same location. In this situation, you should strongly consider authorizing a TCS for a long-term assignment.

(c) *Tax considerations.* An employee who performs a temporary duty travel assignment exceeding one year at a single location is subject to income taxation of his/her travel expense reimbursements. An employee who is authorized and performs a TCS also will be subject to income taxation of some, but not all, of his/her TCS expenses. You will pay an offsetting relocation income tax allowance on an employee's TCS expense reimbursements but unless specifically authorized by statute, you do not have authority to pay such an allowance for income taxes incurred on temporary duty travel reimbursements. You, therefore, should authorize a TCS if a long-term temporary duty assignment will result in an unreimbursable income tax liability on an employee.

(d) *Employee concerns.* The long-term assignment of an employee away from his/her official station and immediate family may negatively affect the employee's morale and job performance. Such negative effects may be alleviated by authorizing a TCS so the employee can transport his/her immediate family and/or household goods at Government expense to the location where he/she will perform the long-term as-

ignment. You should consider the effects of a long-term temporary duty travel assignment on an employee when deciding whether to authorize a TCS.

PART 302-2—ALLOWANCES FOR SUBSISTENCE AND TRANSPORTATION

Sec.

302-2.1 For the employee.

302-2.2 For members of an employee's immediate family.

302-2.3 For use of a privately owned automobile in connection with permanent change of station.

302-2.4 Advance of funds.

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

§302-2.1 For the employee.

(a) *Applicability.* This part applies to travel of

(1) Transferred employees,

(2) New appointees, and

(3) Employees assigned to posts of duty outside the continental United States in connection with either overseas tour renewal agreement travel or return travel to places of residence for the purpose of separation.

(b) *Payment for employee's travel expenses.* Except as specifically provided in this chapter, an agency shall pay per diem, transportation costs, and other travel expenses of the employee in accordance with the provisions of 5 U.S.C. 5701-5709 and chapter 301 of this title. The prohibition in §301-7.5(b) of this title on paying per diem for travel of 12 hours or less applies to change of official station travel.

(c) *Maximum per diem rates for relocation travel—(1) Travel when en route between employee's old and new official stations.* The maximum per diem rate for en route travel within CONUS between the employee's old and new official stations shall be the standard CONUS rate prescribed under §301-7.3 of this title.

(2) *Travel to seek residence quarters.* The maximum per diem rate for travel to seek residence quarters shall be the lesser of the maximum per diem rate prescribed under §301-7.3 of this title for the locality where the employee

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seeks residence quarters or for the locality where the employee obtains lodging accommodations. An agency may prescribe the standard CONUS rate as the maximum per diem rate if it determines that establishment of such lower rate is advantageous to the Government.

[FTR Amdt. 54, 61 FR 68161, Dec. 27, 1996]

§ 302-2.2 For members of an employee's immediate family.

(a) *Transportation.* Except as specifically provided in this chapter, allowable travel expenses for the employee's immediate family, including transportation, are governed by chapter 301 of this title. Travel of the immediate family may begin at the employee's old official station or some other point, or partially at both, and may end at the new official station or some other place selected by the employee, or partially at both. However, the cost to the Government for transportation of the immediate family shall not exceed the allowable cost by the usually traveled route between the employee's old and new official stations.

(b) *Per diem allowance when en route between employee's old and new official stations.* When an employee is transferred, an allowance shall be paid for per diem expenses incurred by the employee's immediate family while traveling between the old and new official stations regardless of where the old and new stations are located. If the actual travel involves departure and/or destination points other than the old or new official station, the per diem allowance shall not exceed the amount to which members of the immediate family would have been entitled if they had traveled by a usually traveled route between the old and new official stations. The prohibition in §301-7.5(b) of this title on paying per diem for travel of 12 hours or less applies to change of official station travel. The maximum allowable per diem rates are as follows:

(1) *For the spouse—(i) When accompanying the employee.* When the spouse accompanies the employee who is traveling under §302-2.1, the spouse is authorized three-fourths of the per diem rate to which the employee is entitled. However, under this provision the min-

imum per diem rate shall be \$6 unless the employee receives a per diem rate of less than \$6 and, in that instance, the spouse will receive the same rate as the employee.

(ii) *When not accompanying the employee.* When the spouse is not accompanying the employee while he/she is traveling under §302-2.1, the spouse is authorized the per diem rate to which the employee is entitled under §302-2.1. In such instance the travel time of the employee and the amount of per diem allowance paid him/her are not factors in computing the amount of per diem allowance for travel of the spouse. (When more than one privately owned automobile is used, the spouse shall be considered to have been accompanied by the employee if travel is performed on the same days along the same general route.)

(2) *For each other member of the employee's immediate family.* Three-fourths of the per diem rate to which the employee is entitled is authorized for each other member age 12 or older, and one-half of the per diem rate to which the employee is entitled is authorized for each child under 12 years of age. However, under this provision the minimum per diem rate shall be \$6 unless the employee received a per diem rate of less than \$6 and, in that instance, the member shall receive the same rate as the employee.

(c) *Exclusions.* The provisions of paragraph (b) of this section do not authorize payment of per diem allowances for members of the immediate families of:

- (1) New appointees;
- (2) Employees assigned to posts of duty outside the continental United States in connection with overseas tour renewal agreement travel;
- (3) Employees assigned to posts of duty outside the continental United States returning to places of actual residence for separation; or
- (4) Employees assigned under the Government Employees Training Act (5 U.S.C. 4109).

[54 FR 20314, May 10, 1989, as amended by FTR Amdt. 10, 55 FR 41537, Oct. 12, 1990; FTR Amdt. 17, 56 FR 23657, May 23, 1991; FTR Amdt. 54, 61 FR 68161, Dec. 27, 1996]

§ 302-2.3 For use of a privately owned automobile in connection with permanent change of station.

(a) *Determination of advantage to the Government.* When an employee, with or without an immediate family, who is eligible for travel allowances under part 302-1, uses a privately owned automobile for permanent change of station travel, that use is deemed to be advantageous to the Government. The provisions in §302-2.3 also apply to new appointees, and employees returning from posts of duty outside the continental United States to places of actual residence for separation. The provisions do not apply to employees assigned to posts of duty outside the continental United States in connection with overseas tour renewal agreement travel. (See §302-1.13.)

(b) *Mileage rates prescribed.* Payment of mileage allowances, when authorized or approved in connection with the transfer, shall be allowed as follows:

Occupants of automobile	Mileage rate (cents)
Employee only; or one member of immediate family	15
Employee and one member; or two members of immediate family	17
Employee and two members; or three members of immediate family	19
Employee and three or more members; or four or more members of immediate family	20

(c) *Mileage rates in special circumstances.* Heads of agencies may prescribe that travel orders or other administrative determinations specify higher mileage rates at a rate not more than the maximum rate prescribed in §301-4.2(a)(1) of this title for individual transfers of employees or transfers of groups of employees when:

(1) Employees are expected to use the privately owned automobiles on official business while assigned to the new duty stations;

(2) The common carrier rates for the facilities provided between the old and new stations, the related constructive taxicab fares to and from terminals, and the per diem allowances prescribed under this part justify a higher mileage rate as advantageous to the Government; or

(3) The costs of driving the privately owned automobile to, from, or between

official stations located outside the continental United States justify a higher mileage rate as advantageous to the Government.

(d) *Maximum per diem allowances when privately owned automobile is used—(1) Rates as prescribed by agency.* The per diem allowance for the employee while en route between the old and new duty stations shall be at appropriate rates, as prescribed by the agency concerned, within the applicable maximums and in accordance with provisions of §302-2.1 and chapter 301 of this title. The per diem allowances prescribed in §302-2.2(b) apply for members of an employee's immediate family, except as excluded in §302-2.2(c).

(2) *Maximum allowance based on total distance.* Per diem allowances should be paid on the basis of actual time used to complete the trip, but the allowances may not exceed an amount computed on the basis of a minimum driving distance per day which is prescribed as reasonable by the authorizing official and is not less than an average of 300 miles per calendar day. An exception to the daily minimum driving distance may be made by the agency concerned when travel between the old and new official stations is delayed for reasons clearly beyond the control of the travelers such as acts of God, restrictions by Governmental authorities, or other reasons acceptable to the agency; e.g., a physically handicapped employee. In such cases, per diem may be allowed for the period of the delay or for a shorter period as determined by the agency. The traveler must provide a statement on his/her reimbursement voucher fully explaining the circumstances which necessitated the en route travel delay. The exception to the daily minimum driving distance requires the approval of the agency's authorizing official.

(3) *Method of computation.* In computing the per diem amount for a prescribed minimum driving distance per day, one-fourth of the prescribed per diem rate shall be allowed for each one-fourth of the prescribed minimum distance. For example, if the authorizing official prescribes a per diem rate of \$12 for the employee and a reasonable minimum driving distance of 400 miles a day, the per diem amount will

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be \$3 for each 100 miles or fraction of 100 miles traveled between the old and new official stations.

(e) *Use of more than one privately owned vehicle*—(1) *When authorized as advantageous to the Government.* Use of no more than one privately owned automobile is authorized under this part as being advantageous to the Government in connection with permanent change of station travel except under the following special circumstances, when use of more than one privately owned automobile may be authorized:

(i) If there are more members of the immediate family than reasonably can be transported with luggage in one vehicle;

(ii) If because of age or physical condition special accommodations are necessary in transporting a member of the immediate family in one vehicle, and a second automobile is required for travel of other members of the immediate family;

(iii) If an employee must report to a new official station in advance of travel by members of the immediate family who delay travel for acceptable reasons such as completion of school term, sale of property, settlement of personal business affairs, disposal or shipment of household goods, and temporary unavailability of adequate housing at the new official station;

(iv) If a member of the immediate family performs unaccompanied travel between authorized points other than those for the employee's travel; or

(v) If, in advance of the employee's reporting date, immediate family members must travel to the new official station for acceptable reasons such as to enroll children in school at the beginning of the term.

(2) *Allowances applicable.* In those instances where more than one automobile is authorized under this paragraph, the allowances under paragraphs (b), (c), and (d) of this section apply for each automobile and the occupants thereof.

(3) *Allowances when not justified as advantageous to the Government.* If the use of more than one privately owned automobile is not justified under the circumstances described in this paragraph, only the allowances prescribed in paragraphs (b), (c), and (d) of this

section shall be paid, as if all persons involved traveled in one automobile.

[54 FR 20314, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23657, May 23, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992; FTR Amdt. 42, 59 FR 66626, Dec. 27, 1994]

§ 302-2.4 Advance of funds.

Advance of funds may be made for per diem and mileage allowances as provided in §§ 302-2.1, 302-2.2(b), and 302-2.3 except in connection with employees assigned to posts of duty outside the continental United States performing authorized or approved overseas tour renewal agreement travel. Such advances may also be made upon return to the place of residence for the purpose of separation under the policies and procedures prescribed in § 302-1.14(a).

[54 FR 20314, May 10, 1989]

PART 302-3—ALLOWANCE FOR MISCELLANEOUS EXPENSES

Sec.

302-3.1 Applicability.

302-3.2 Eligibility.

302-3.3 Allowable amount.

302-3.4 Advance of funds.

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: 54 FR 20316, May 10, 1989, unless otherwise noted.

§ 302-3.1 Applicability.

(a) *Purpose for allowance.* The miscellaneous expenses allowance authorized by §§ 302-3.2 and 302-3.3 is for defraying various contingent costs associated with discontinuing residence at one location and establishing residence at a new location in connection with an authorized or approved permanent change of station.

(b) *Types of costs covered.* The allowance is related to expenses that are common to living quarters, furnishings, household appliances, and to other general types of costs inherent in relocation of a place of residence (see part 302-7 for specific costs normally associated with relocation of a mobile home dwelling that are covered under

transportation expenses). The costs intended to be reimbursed under the miscellaneous expenses allowance include, but are not limited to the following:

(1) Fees for disconnecting and connecting appliances, equipment, and utilities involved in relocation and costs of converting appliances for operation on available utilities;

(2) Fees for cutting and fitting rugs, draperies, and curtains moved from one residence quarters to another;

(3) Utility fees or deposits that are not offset by eventual refunds;

(4) Forfeiture losses on medical, dental, and food locker contracts that are not transferable; and contracts for private institutional care, such as that provided for handicapped or invalid dependents only, which are not transferable or refundable; and

(5) Costs of automobile registration, driver's license, and use taxes imposed when bringing automobiles into certain jurisdictions.

(c) *Types of costs not covered.* This allowance shall not be used to reimburse the employee for costs or expenses incurred which exceed maximums provided by statute or in this subtitle; costs or expenses that the employee incurred but which are disallowed elsewhere in this subtitle; costs reimbursed under other provisions of law or regulations; costs or expenses incurred for reasons of personal taste or preference and not required because of the move; losses covered by insurance; fines or other penalties imposed upon the employee or members of his/her immediate family; judgments, court costs, and similar expenses growing out of civil actions; or any other expenses brought about by circumstances, factors, or actions in which the move to a new duty station was not the proximate cause. Examples of costs which are not reimbursable from this allowance are as follows:

(1) Losses in selling or buying real and personal property and cost items related to such transactions;

(2) Costs which are reimbursed under other provisions of this subtitle or under any other regulations or under provisions of any statute;

(3) Cost of additional insurance on household goods while in transit to the

new official station or cost of loss or damage to such property;

(4) Additional costs of moving household goods caused by exceeding the maximum weight limitation for which the employee has eligibility as provided by law or in this chapter;

(5) Costs of newly acquired items, such as the purchase or installation cost of new rugs or draperies;

(6) Higher income, real estate, sales, or other taxes as the result of establishing residence in the new locality;

(7) Fines imposed for traffic infractions while en route to the new official station locality;

(8) Accident insurance premiums or liability costs incurred in connection with travel to the new official station locality, or any other liability imposed upon the employee for uninsured damages caused by accidents for which he/she or a member of his/her immediate family is held responsible;

(9) Losses as the result of the sale or disposal of items of personal property not considered convenient or practicable to move;

(10) Damage or loss of clothing, luggage, or other personal effects while traveling to the new official station locality;

(11) Subsistence, transportation, or mileage expenses in excess of the amounts reimbursed as per diem or other allowances under this regulation;

(12) Medical expenses due to illness or injuries of the employee or members of the immediate family while en route to the new official station or while living in temporary quarters at Government expense under the provisions of part 302-5; or

(13) Costs incurred in connection with structural alterations; remodeling or modernizing of living quarters, garages or other buildings to accommodate privately owned automobiles, appliances or equipment; or the cost of replacing or repairing worn-out or defective appliances, or equipment shipped to the new location.

[54 FR 20316, May 10, 1989, as amended by FTR Amdt. 20, 56 FR 46989, Sept. 17, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992]

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§ 302-3.2 Eligibility.

(a) *Coverage.* A miscellaneous expense allowance will be payable to an employee for whom a permanent change of station is authorized or approved and who has discontinued and established a residence in connection with such change regardless of where the old or new official station is located, provided the applicable eligibility conditions in part 302-1 are met and the agreement required in §302-1.5 is signed.

(b) *Exclusions.* The provisions of this part do not apply for new appointees, employees assigned under the Government Employees Training Act (see 5 U.S.C. 4109), or employees returning from overseas assignments for the purpose of separation.

[54 FR 20316, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23657, May 23, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-3.3 Allowable amount.

Employees eligible for a miscellaneous expense allowance shall be paid an amount under paragraph (a) of this section or reimbursed an amount under paragraph (b) of this section, but not both, as follows:

(a) Allowances in the following amounts will be paid without support or other documentation of expenses:

(1) \$350 or the equivalent of 1 week's basic pay, whichever is the lesser amount, for an employee without immediate family; and

(2) \$700 or the equivalent of 2 weeks' basic pay, whichever is the lesser amount, for an employee with immediate family.

(b) Allowances in excess of those provided in paragraph (a) of this section may be authorized or approved, if supported by acceptable statements of fact and either paid bills or other acceptable evidence justifying the amounts claimed, provided the aggregate amount does not exceed the employee's basic pay (at the time the employee reported for duty) for 1 week if the employee is without an immediate family, or for 2 weeks if the employee has an immediate family. In no instance will the amount exceed the maximum rate of grade GS-13 provided in 5 U.S.C. 5332 at the time the employee reported for

duty. The entire amount claimed under this paragraph (including the amount otherwise payable without such documentation under paragraph (a) of this section) must be supported as required in this paragraph.

[54 FR 20316, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-3.4 Advance of funds.

No advance of funds is authorized in connection with the allowance provided in this part.

[54 FR 20316, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

PART 302-4—ALLOWANCE FOR HOUSEHUNTING TRIP EXPENSES

Subpart A—Employee's Allowance For Househunting Trip Expenses

Sec.

- 302-4.1 What is a "househunting trip"?
- 302-4.2 What is the purpose of the househunting trip expenses allowance?
- 302-4.3 Am I eligible for a househunting trip expenses allowance?
- 302-4.4 Who is not eligible for a househunting trip expenses allowance?
- 302-4.5 Must my agency authorize payment of a househunting trip expenses allowance?
- 302-4.6 Under what circumstances will I receive a househunting trip expenses allowance?
- 302-4.7 Who may travel on a househunting trip at Government expense?
- 302-4.8 How many househunting trips may my agency authorize in connection with a particular transfer?
- 302-4.9 May my spouse and I perform separate househunting trips at Government expense?
- 302-4.10 How soon may I and/or my spouse begin a househunting trip?
- 302-4.11 Is there a time limit on the duration of a househunting trip?
- 302-4.12 When must my househunting trip be completed?
- 302-4.13 What methods may my agency use to reimburse me for househunting trip expenses?
- 302-4.14 What transportation expenses will my agency pay?
- 302-4.15 Must I document my househunting trip expenses to receive reimbursement?
- 302-4.16 May I receive an advance of funds for househunting trip expenses?
- 302-4.17 Am I in a duty status when I perform a househunting trip?

SUBPART B—AGENCY RESPONSIBILITIES

- 302-4.100 How should we administer the househunting trip expenses allowance?
- 302-4.101 What governing policies must we establish for the househunting trip expenses allowance?
- 302-4.102 Under what circumstances may we authorize a househunting trip?
- 302-4.103 What factors must we consider in determining whether to offer an employee the fixed amount househunting trip subsistence expenses reimbursement option?

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: FTR Amdt. 63, 62 FR 13768, Mar. 21, 1997, unless otherwise noted.

SUBPART A—EMPLOYEE’S ALLOWANCE FOR HOUSEHUNTING TRIP EXPENSES

NOTE TO SUBPART A: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§302-4.1 What is a “househunting trip”?

The term “househunting trip” refers to a trip made by the employee and/or spouse to the new official station locality to find permanent living quarters to rent or purchase. The term “living quarters” in this part includes apartments, condominiums, and cooperatives in addition to townhomes and single family homes.

§302-4.2 What is the purpose of the househunting trip expenses allowance?

The allowance for househunting trip expenses is intended to facilitate and expedite the employee’s move from the old official station to the new official station and to lower the Government’s overall cost for the employee’s relocation by reducing the amount of time an employee must occupy temporary quarters. The allowance for househunting trip expenses provides the employee and/or spouse a period of time to concentrate on finding a suitable permanent residence at the new official station and thereby expedites the employee’s relocation.

§302-4.3 Am I eligible for a househunting trip expenses allowance?

You are eligible for a househunting trip expenses allowance if you are an employee who is authorized to transfer, and in addition:

- (a) Both your old and new official stations are located within the United States;
- (b) You are not assigned to Government or other prearranged housing at the new official station; and
- (c) Your old and new official stations are 75 or more miles apart (as measured by map distance) via a usually traveled surface route.

§302-4.4 Who is not eligible for a househunting trip expenses allowance?

New appointees and employees assigned under the Government Employees Training Act (5 U.S.C. 4109) are not eligible for a househunting trip expenses allowance.

§302-4.5 Must my agency authorize payment of a househunting trip expenses allowance?

No. Your agency determines when it is in the Government’s interest to authorize you a househunting trip and the procedures you must follow if it is authorized.

§302-4.6 Under what circumstances will I receive a househunting trip expenses allowance?

You will receive a househunting trip expenses allowance if:

- (a) Your agency authorized you to perform a househunting trip in advance of the travel (the agency authorization must specify the mode of transportation and the period of time allowed for the trip);
- (b) You have signed a service agreement;
- (c) Your agency has established, and informed you of, the date you are to report to your new official station; and
- (d) You meet any additional conditions your agency has established.

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§302-4.7 Who may travel on a househunting trip at Government expense?

Only you and/or your spouse may travel on a househunting trip at Government expense.

§302-4.8 How many househunting trips may my agency authorize in connection with a particular transfer?

Your agency may authorize only one round trip for you and/or your spouse in connection with a particular transfer.

§302-4.9 May my spouse and I perform separate househunting trips at Government expense?

Yes. However, your reimbursement will be limited to the cost that would have been incurred if you and your spouse had traveled together on one round trip.

§302-4.10 How soon may I and/or my spouse begin a househunting trip?

You may begin your househunting trip as soon as your agency has noti-

fied you of your transfer and issued a travel authorization for a househunting trip. To take maximum advantage of your trip, however, it is very important that you become familiar as quickly as you can with your new official station area (e.g., housing market conditions, school locations, etc.). If you are selling your residence at your old official station, you should not begin your househunting trip until you have a current appraisal of the value of the residence so that you can more accurately determine the appropriate price range of residences to consider during your househunting trip.

§302-4.11 Is there a time limit on the duration of a househunting trip?

A househunting trip should be for a reasonable period, not to exceed 10 calendar days, as authorized by your agency under §302-4.101(d).

§302-4.12 When must my househunting trip be completed?

You and/or your spouse must complete your househunting trip as indicated in the following table:

For	Your househunting trip must be completed by
You	The day before you report to your new official station.
Your spouse	The earlier of: (a) the day before your family relocates to your new official station; or (b) The day before the maximum time for beginning allowable travel expires (see §302-1.6 of this chapter).

§302-4.13 What methods may my agency use to reimburse me for househunting trip expenses?

Your agency will reimburse your househunting trip expenses as indicated in the following table:

For	You are reimbursed
You and/or your spouse's transportation expenses. You and/or your spouse's subsistence expenses.	Your actual transportation costs. One of the following: (a) A per diem allowance for you and/or your spouse as prescribed under part 302-2 of this chapter; or (b) If you accept your agency's offer of the fixed amount option, and: (1) Both you and your spouse perform a househunting trip either together or separately, a single amount determined by multiplying the applicable locality rate (listed in appendix A to chapter 301 of this subtitle) by 6.25, or (2) Only one of you performs a househunting trip, an amount determined by multiplying the applicable locality rate (listed in appendix A to chapter 301 of this subtitle) by 5.

§ 302-4.14 What transportation expenses will my agency pay?

Your agency will authorize you to travel by the transportation mode(s) (e.g., airline, train, or privately owned automobile) it determines to be advantageous to the Government. Your agency will pay for your transportation expenses by the authorized mode(s). If you travel by any other mode(s), your agency will pay your transportation expenses not to exceed the cost of transportation by the authorized mode(s).

§ 302-4.15 Must I document my househunting trip expenses to receive reimbursement?

To receive reimbursement for househunting trip transportation expenses you must itemize your transportation expenses and provide receipts as required by § 301-11.3(c) of this subtitle. For fixed amount househunting trip subsistence reimbursement, you do not document your subsistence expenses. For per diem househunting trip subsistence expense reimbursement, you must itemize your lodging expenses and you must provide receipts as required by § 301-7.9(b) and § 301-11.3(c) of this subtitle.

§ 302-4.16 May I receive an advance of funds for househunting trip expenses?

Your agency may authorize an advance of funds, in accordance with § 302-1.14(a) of this chapter, for your househunting trip expenses. Your agency may not advance you funds in excess of the sum of your anticipated transportation costs and either the maximum per diem allowable under part 302-2 of this chapter for the location and duration of your househunting trip or your fixed amount househunting trip subsistence expenses payment, whichever applies.

§ 302-4.17 Am I in a duty status when I perform a househunting trip?

Yes.

Subpart B—Agency Responsibilities

NOTE TO SUBPART B: Use of the pronouns “we” and “you” throughout this subpart refers to the agency.

§ 302-4.100 How should we administer the househunting trip expenses allowance?

You should administer the househunting trip expenses allowance to minimize or avoid its use when other satisfactory and more economical arrangements are available.

§ 302-4.101 What governing policies must we establish for the househunting trip expenses allowance?

You must establish policies and procedures governing:

- (a) When you will authorize a househunting trip for an employee;
- (b) Who will determine if a househunting trip is appropriate in each situation;
- (c) If and when you will authorize the fixed amount option for househunting trip subsistence expenses reimbursement;
- (d) Who will determine the appropriate duration of a househunting trip for an employee who selects a per diem allowance under part 302-2 of this chapter to reimburse househunting trip subsistence expenses; and
- (e) Who will determine the mode(s) of transportation to be used.

§ 302-4.102 Under what circumstances may we authorize a househunting trip?

You may authorize a househunting trip on an individual-case basis when the employee has accepted the transfer and his/her circumstances indicate that a househunting trip actually is needed. You may not authorize a househunting trip when the purpose of the trip is to assist the employee in deciding whether he or she will accept the transfer.

§302-4.103 What factors must we consider in determining whether to offer an employee the fixed amount househunting trip subsistence expenses reimbursement option?

You must consider the following factors:

(a) *Ease of administration.* Payment of a per diem allowance under part 302-2 of this chapter requires you to review claims for the validity, accuracy, and reasonableness of each expense amount, except for meals and incidental expenses. Fixed amount househunting trip subsistence expenses reimbursement is easier to administer because you do not have to review expense amounts.

(b) *Cost considerations.* You must weigh the cost of each reimbursement option on a case-by-case basis.

(c) *Treatment of employees.* The employee is allowed to choose between a per diem allowance under part 302-2 of this chapter and fixed amount househunting trip subsistence expenses reimbursement when you offer the fixed amount reimbursement method. You therefore should weigh employee morale and productivity considerations against actual cost considerations in determining which method to offer.

PART 302-5—ALLOWANCE FOR TEMPORARY QUARTERS SUBSISTENCE EXPENSES

Subpart A—General Rules

Sec.

- 302-5.1 What are “temporary quarters”?
- 302-5.2 What are “temporary quarters subsistence expenses (TQSE)”?
- 302-5.3 What is the purpose of the TQSE allowance?
- 302-5.4 Am I eligible for a TQSE allowance?
- 302-5.5 Who is not eligible for a TQSE allowance?
- 302-5.6 Must my agency authorize payment of a TQSE allowance?
- 302-5.7 Under what circumstances will I receive a TQSE allowance?
- 302-5.8 Who may occupy temporary quarters at Government expense?
- 302-5.9 Where may I/we occupy temporary quarters at Government expense?
- 302-5.10 May my immediate family and I occupy temporary quarters at different locations?
- 302-5.11 What methods may my agency use to reimburse me for TQSE?

- 302-5.12 Must I document my TQSE to receive reimbursement?
- 302-5.13 How soon may I/we begin occupying temporary quarters at Government expense?
- 302-5.14 How is my TQSE allowance affected if my temporary quarters become my permanent residence quarters?
- 302-5.15 May I receive an advance of funds for TQSE?
- 302-5.16 May I receive a TQSE allowance if I am receiving another subsistence expenses allowance?
- 302-5.17 Am I eligible for a TQSE allowance if I transfer to a foreign area?
- 302-5.18 May I be reimbursed for local transportation expenses incurred while I am occupying temporary quarters?

Subpart B—Actual TQSE Method of Reimbursement

- 302-5.100 What am I paid under the actual TQSE reimbursement method?
- 302-5.101 May my agency reduce my TQSE allowance below the “maximum allowable amount”?
- 302-5.102 What is the “applicable per diem rate” under the actual TQSE reimbursement method?
- 302-5.103 What is the latest the period for which I claim actual TQSE reimbursement may begin?
- 302-5.104 How long may I be authorized to claim actual TQSE reimbursement?
- 302-5.105 What is a “compelling reason” warranting extension of my authorized period for claiming actual TQSE reimbursement?
- 302-5.106 May I interrupt occupancy of temporary quarters?
- 302-5.107 What effect do partial days of temporary quarters occupancy have on my authorized period for claiming actual TQSE reimbursement?
- 302-5.108 When does my authorized period for claiming actual TQSE reimbursement end?
- 302-5.109 May the period for which I am authorized to claim actual TQSE reimbursement for myself be different from that of my immediate family?
- 302-5.110 What effect do partial days have on my actual TQSE reimbursement?
- 302-5.111 May I and/or my immediate family occupy temporary quarters longer than the period for which I am authorized to claim actual TQSE reimbursement?

Subpart C—Fixed Amount Reimbursement

- 302-5.200 What am I paid under the fixed amount reimbursement method?
- 302-5.201 How do I determine the amount of my payment under the fixed amount reimbursement method?

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302-5.202 Will I receive additional TQSE reimbursement if my fixed amount is not adequate to cover my TQSE?

Subpart D—Agency Responsibilities

302-5.300 How should we administer the TQSE allowance?

302-5.301 What governing policies must we establish for the TQSE allowance?

302-5.302 Under what circumstances may we authorize the TQSE allowance?

302-5.303 What factors should we consider in determining whether the TQSE allowance actually is necessary?

302-5.304 What factors should we consider in determining whether to offer an employee the fixed amount TQSE reimbursement option?

302-5.305 What factors should we consider in determining whether quarters are temporary?

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: FTR Amdt. 59, 62 FR 13756, Mar. 21, 1997, unless otherwise noted.

Subpart A—General Rules

NOTE TO SUBPART A: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-5.1 What are “temporary quarters”?

The term “temporary quarters” refers to lodging obtained for the purpose of temporary occupancy from a private or commercial source.

§ 302-5.2 What are “temporary quarters subsistence expenses (TQSE)”?

“Temporary quarters subsistence expenses” or “TQSE” are subsistence expenses incurred by an employee and/or his/her immediate family while occupying temporary quarters. TQSE does not include local transportation expenses incurred during occupancy of temporary quarters (see § 302-5.18 for details).

§ 302-5.3 What is the purpose of the TQSE allowance?

The TQSE allowance is intended to reimburse an employee reasonably and equitably for subsistence expenses incurred when it is necessary to occupy temporary quarters.

§ 302-5.4 Am I eligible for a TQSE allowance?

You are eligible for a TQSE allowance if you are an employee who is authorized to transfer; and

(a) Your new official station is located within the United States, its territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in 22 U.S.C. 3602(a)); and

(b) Your old and new official stations are 40 miles or more apart (as measured by map distance) via a usually traveled surface route.

§ 302-5.5 Who is not eligible for a TQSE allowance?

New appointees, employees assigned under the Government Employees Training Act (5 U.S.C. 4109), and employees returning from an overseas assignment for the purpose of separation are not eligible for a TQSE allowance.

§ 302-5.6 Must my agency authorize payment of a TQSE allowance?

No, your agency determines whether it is in the Government’s interest to pay TQSE.

§ 302-5.7 Under what circumstances will I receive a TQSE allowance?

You will receive a TQSE allowance if:

(a) Your agency authorizes it before you occupy the temporary quarters (the agency authorization must specify the period of time allowed for you to occupy temporary quarters); and

(b) You have signed a service agreement; and

(c) You meet any additional conditions your agency has established.

§ 302-5.8 Who may occupy temporary quarters at Government expense?

Only you and/or your immediate family may occupy temporary quarters at Government expense.

§302-5.9 Where may I/we occupy temporary quarters at Government expense?

You and/or your immediate family may occupy temporary quarters at Government expense within reasonable proximity of your old and/or new official stations. Neither you nor your immediate family may be reimbursed for occupying temporary quarters at any other location, unless justified by special circumstances that are reasonably related to your transfer.

§302-5.10 May my immediate family and I occupy temporary quarters at different locations?

Yes. For example, if you must vacate your home at the old official station and report to the new official station and your family remains behind until the end of the school year, you may need to occupy temporary quarters at the new official station while your family occupies temporary quarters at the old official station.

§302-5.11 What methods may my agency use to reimburse me for TQSE?

Your agency will reimburse you for TQSE under the actual expense method unless it permits the "fixed amount" reimbursement method as an alternative. If your agency makes both methods available to you, you may select the one you prefer.

§302-5.12 Must I document my TQSE to receive reimbursement?

For fixed amount TQSE reimbursement, you do not document your TQSE. For actual TQSE reimbursement, you must document your TQSE by itemizing each expense and providing receipts as required by FTR §301-11.3(c) of this subtitle.

§302-5.13 How soon may I/we begin occupying temporary quarters at Government expense?

As soon as your agency has authorized you to receive a TQSE allowance and you have signed a service agreement.

§302-5.14 How is my TQSE allowance affected if my temporary quarters become my permanent residence quarters?

If your temporary quarters become your permanent residence quarters, you may receive a TQSE allowance only if you show in a manner satisfactory to your agency that you initially intended to occupy the quarters temporarily.

§302-5.15 May I receive an advance of funds for TQSE?

Yes. If authorized in accordance with §302-1.14(a) of this chapter, your agency may advance the amount of funds necessary to cover your estimated TQSE expenses for up to 30 days. Your agency subsequently may advance additional funds for periods up to 30 days.

§302-5.16 May I receive a TQSE allowance if I am receiving another subsistence expenses allowance?

No, with one exception. You may receive a cost-of-living allowance payable under 5 U.S.C. 5941 in addition to a TQSE allowance.

§302-5.17 Am I eligible for a TQSE allowance if I transfer to a foreign area?

No. You may not receive a TQSE allowance under this part when you transfer to an area outside the United States, its territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in 22 U.S.C. 3602(a))). However, you may qualify for a comparable allowance under the Standardized Regulations (Government Civilians, Foreign Areas) prescribed by the State Department.

§302-5.18 May I be reimbursed for local transportation expenses incurred while I am occupying temporary quarters?

Generally not. Local transportation expenses are not TQSE, and there is no

authority to pay them as such. You may, however, be reimbursed under part 301-2 of this subtitle for necessary transportation expenses if you perform local official business travel while you are occupying temporary quarters.

are reasonable and do not exceed the maximum allowable amount. The “maximum allowable amount” is the “maximum daily amount” multiplied by the number of days you actually incur TQSE not to exceed the number of days authorized, taking into account that the rates change after 30 days in temporary quarters. The “maximum daily amount” is determined by adding the rates in the following table for you and each member of your immediate family authorized to occupy temporary quarters:

Subpart B—Actual TQSE Method of Reimbursement

NOTE TO SUBPART B: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-5.100 What am I paid under the actual TQSE reimbursement method?

Your agency will pay your actual TQSE incurred, provided the expenses

For	The “maximum daily amount” of TQSE under the actual expense method that		
	You and/or your unaccompanied spouse* may receive is	Your accompanied spouse or a member of your immediate family who is age 12 or older may receive is	A member of your immediate family who is under age 12 may receive is
The first 30 days of temporary quarters.	The applicable per diem rate	.75 times the applicable per diem rate.	.5 times the applicable per diem rate.
Any additional days of temporary quarters.	.75 times the applicable per diem rate.	.5 times the applicable per diem rate.	.4 times the applicable per diem rate.

(That is, when the spouse necessarily occupies temporary quarters in lieu of the employee or in a location separate from the employee.)

§ 302-5.101 May my agency reduce my TQSE allowance below the “maximum allowable amount”?

Yes. If the estimated daily amount of your TQSE is determined in advance to be lower than the maximum daily amount, your agency may reduce the

maximum allowable amount to your expected expenses.

§ 302-5.102 What is the “applicable per diem rate” under the actual TQSE reimbursement method?

The “applicable per diem rate” under the actual TQSE reimbursement method is as follows:

For temporary quarters located in	The applicable per diem rate is
The continental United States (CONUS) Alaska, Hawaii, the United States territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979)).	The standard CONUS rate. The locality rate established by the Secretary of Defense or the Secretary of State under § 301-7.3 of this subtitle.

§ 302-5.103 What is the latest the period for which I claim actual TQSE reimbursement may begin?

The period must begin before the maximum time for beginning allowable travel and transportation under § 302-1.6 of this chapter expires.

§ 302-5.104 How long may I be authorized to claim actual TQSE reimbursement?

Your agency may authorize you to claim actual TQSE in 30-day increments, not to exceed 60 consecutive days. However, if your agency determines that there is a compelling reason

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for you to continue occupying temporary quarters after 60 consecutive days, it may authorize an extension of up to 60 additional consecutive days. Under no circumstances may you be authorized to claim actual TQSE reimbursement for more than a total of 120 consecutive days.

§302-5.105 What is a “compelling reason” warranting extension of my authorized period for claiming actual TQSE reimbursement?

A “compelling reason” is an event that is beyond your control and is acceptable to your agency. Examples include, but are not limited to:

(a) Delivery of your household goods to your new residence is delayed due to strikes, customs clearance, hazardous weather, fires, floods or other acts of God, or similar events.

(b) You cannot occupy your new permanent residence because of unanticipated problems (e.g., delay in settlement on the new residence, or short-term delay in construction of the residence).

(c) You are unable to locate a permanent residence which is adequate for your family’s needs because of housing conditions at your new official station.

(d) Sudden illness, injury, or death of employee or immediate family member.

§302-5.106 May I interrupt occupancy of temporary quarters?

Yes. Your authorized period for claiming actual TQSE reimbursement is measured in consecutive days, and once begun, normally continues to run whether or not you occupy temporary quarters. You may, however, interrupt your authorized period for claiming actual TQSE reimbursement in the following instances:

(a) For the time allowed for en route travel between the old and new official stations;

(b) For circumstances attributable to official necessity such as an intervening temporary duty assignment or military duty; or

(c) For a non-official necessary interruption such as hospitalization, approved sick leave, or other reason beyond your control and acceptable to your agency.

§302-5.107 What effect do partial days of temporary quarters occupancy have on my authorized period for claiming actual TQSE reimbursement?

Occupancy of temporary quarters for less than a whole day constitutes one full day of your authorized period. (However, see §302-5.110 regarding en route travel.)

§302-5.108 When does my authorized period for claiming actual TQSE reimbursement end?

The period ends at midnight on the earlier of:

(a) The day preceding the day you and/or any member of your immediate family occupies permanent residence quarters.

(b) The day your authorized period for claiming actual TQSE reimbursement expires.

§302-5.109 May the period for which I am authorized to claim actual TQSE reimbursement for myself be different from that of my immediate family?

No, the eligibility period for which you are authorized to claim actual TQSE reimbursement for yourself and for each member of your immediate family must run concurrently.

§302-5.110 What effect do partial days have on my actual TQSE reimbursement?

You may not receive reimbursement under both the actual TQSE allowance and another subsistence expenses allowance within the same calendar day, with one exception: if you claim TQSE reimbursement on the same day that en route travel per diem ends, your en route travel per diem will be computed under applicable partial day rules and you also may be reimbursed for actual TQSE you incur after 6:00 p.m. of that day.

§302-5.111 May I and/or my immediate family occupy temporary quarters longer than the period for which I am authorized to claim actual TQSE reimbursement?

Yes, but you will not be reimbursed for any of the expenses you incur during the unauthorized period.

Subpart C—Fixed Amount Reimbursement

NOTE TO SUBPART C: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-5.200 What am I paid under the fixed amount reimbursement method?

If your agency offers and you select the fixed amount TQSE reimbursement method, you are paid a fixed amount for up to 30 days. No extensions are allowed under the fixed amount method.

§ 302-5.201 How do I determine the amount of my payment under the fixed amount reimbursement method?

Multiply the number of days your agency authorizes TQSE by .75 times the maximum per diem rate (i.e., lodging plus meals and incidental expenses) prescribed in chapter 301 of this subtitle for the locality of the new official duty station. Then, for each member of your immediate family, multiply the same number of days by .25 times the same per diem rate. Your payment will be the sum of these calculations.

§ 302-5.202 Will I receive additional TQSE reimbursement if my fixed amount is not adequate to cover my TQSE?

No.

Subpart D—Agency Responsibilities

NOTE TO SUBPART D: Use of the pronouns “we” and “you” throughout this subpart refers to the agency.

§ 302-5.300 How should we administer the TQSE allowance?

Temporary quarters should be used only if, and only for as long as, necessary until the employee and/or his/her immediate family can move into permanent residence quarters. You must administer the TQSE allowance to minimize or avoid other relocation expenses.

§ 302-5.301 What governing policies must we establish for the TQSE allowance?

You must establish policies and procedures governing:

- (a) When you will authorize temporary quarters for employees;
- (b) Who will determine if temporary quarters is appropriate in each situation;
- (c) If and when you will authorize the fixed amount option for TQSE reimbursement;
- (d) Who will determine the appropriate period of time for which TQSE reimbursement will be authorized, including approval of extensions and interruptions of temporary quarters occupancy;
- (e) Who will determine whether quarters were indeed temporary, if there is any doubt.

§ 302-5.302 Under what circumstances may we authorize the TQSE allowance?

You may authorize a TQSE allowance on an individual-case basis when use of temporary quarters is justified in connection with an employee’s transfer to a new official station. You may not authorize a TQSE allowance for vacation purposes or other reasons unrelated to the transfer.

§ 302-5.303 What factors should we consider in determining whether the TQSE allowance actually is necessary?

The factors you should consider include:

- (a) *The length of time the employee should reasonably be expected to occupy his/her residence at the old official station prior to reporting for duty at the new official station.* An employee and his/her immediate family should continue to occupy the residence at the old official station for as long as practicable to avoid the necessity for temporary quarters.
- (b) *The existence of less expensive alternatives.* If a less expensive alternative to the TQSE allowance exists that will enable the employee to find permanent quarters at the new official station, you should consider such an alternative. For example, authorize a

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househunting trip instead of temporary quarters if it would cost less overall.

(c) *The existence of other opportunities to arrange for permanent quarters.* Consider whether the employee had other adequate opportunity to arrange for permanent quarters. For example, you should not authorize temporary quarters if the employee had adequate opportunity during an extended temporary duty assignment to arrange for permanent quarters.

§ 302-5.304 What factors should we consider in determining whether to offer an employee the fixed amount TQSE reimbursement option?

The factors you should consider include:

(a) *Ease of administration.* Actual TQSE reimbursement requires an agency to review claims for the validity, accuracy, and reasonableness of each expense amount. Fixed amount TQSE reimbursement does not require review of expense amounts and is therefore easier to administer.

(b) *Cost considerations.* You must weigh the cost of each alternative. Actual TQSE reimbursement may extend up to 120 consecutive days, while fixed amount TQSE reimbursement is limited to 30 days. Actual TQSE reimbursement may be less expensive, since its ceiling is based on the standard CONUS rate, while fixed amount TQSE reimbursement is based on the locality per diem rate. However, fixed amount TQSE reimbursement may be less expensive because the maximum daily rate under actual TQSE reimbursement is a higher percentage of the applicable per diem rate than fixed amount TQSE reimbursement.

(c) *Treatment of employee.* The employee is allowed to choose between actual TQSE reimbursement and fixed amount TQSE reimbursement when you offer the fixed amount TQSE reimbursement method. You therefore should weigh employee morale and productivity considerations against actual cost considerations in determining which method to offer.

§ 302-5.305 What factors should we consider in determining whether quarters are temporary?

In determining whether quarters are “temporary”, you should consider fac-

tors such as the duration of the lease, movement of household effects into the quarters, the type of quarters, the employee’s expressions of intent, attempts to secure a permanent dwelling, and the length of time the employee occupies the quarters.

PART 302-6—ALLOWANCE FOR EXPENSES INCURRED IN CONNECTION WITH RESIDENCE TRANSACTIONS

Sec.

302-6.1 Conditions and requirements under which allowances are payable.

302-6.2 Reimbursable and nonreimbursable expenses.

302-6.3 Procedural and control requirements.

302-6.4 Exclusions.

302-6.5 Advance of funds.

AUTHORITY: 5 U.S.C. 5738 and 20 U.S.C. 905(c).

SOURCE: 54 FR 20321, May 10, 1989, unless otherwise noted.

§ 302-6.1 Conditions and requirements under which allowances are payable.

To the extent allowable under this part, the Government shall reimburse an employee for expenses required to be paid by him/her in connection with the sale of one residence at his/her old official station, for purchase (including construction) of one dwelling at his/her new official station, or for the settlement of an unexpired lease involving his/her residence or a lot on which a mobile home used as his/her residence was located at the old official station provided the conditions set forth in this section are met:

(a) *Transfers covered—agreement required.* A permanent change of station is authorized or approved and, except as provided in paragraph (g) of this section, the old and new official stations are located within the 50 States, the District of Columbia, the Commonwealth of Puerto Rico or the Commonwealth of the Northern Mariana Islands, a United States territory or possession, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States under the Panama

Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979)), and the employee has signed an agreement as required in § 302-1.5. (See exclusions in § 302-6.4.)

(b) *Location and type of residence.* The residence or dwelling is the residence as described in § 302-1.4(k), which may be a mobile home and/or the lot on which such mobile home is located or will be located. These criteria also apply to the former nonforeign area official station residence of employees who are eligible for residence transaction expenses under paragraph (g) of this section (see definition in paragraph (g)(1)(i) of this section).

(c) *Title requirements.* The title to the residence or dwelling at the old or new official station, or the interest in a cooperatively owned dwelling or in an unexpired lease, is in the name of the employee alone, or in the joint names of the employee and one or more members of his/her immediate family, or solely in the name of one or more members of his/her immediate family. The rules in paragraphs (c) (1) through (3) of this section apply in determining title to the residence.

(1) *Title interest must have been acquired prior to notification of transfer.* For an employee to be eligible for reimbursement of the costs of selling a dwelling or terminating a lease at the old official station, the employee's property interest must have been acquired prior to the date the employee was first officially notified of his/her transfer to the new official station. In the case of an employee covered by paragraph (g) of this section, the employee's interest must have been acquired prior to the date the employee was first officially notified of his/her transfer to the foreign area.

(2) *Legal title interest.* Except as provided in paragraph (c)(3) of this section, title to the residence is determined by the name of the party (or parties) on the title document (e.g., the deed).

(3) *Equitable title interest.* The employee, and/or a member(s) of his/her immediate family, in a situation listed in paragraphs (c)(3) (i) through (v) of this section is deemed to have title to the residence without regard to wheth-

er his/her name appears on the title document.

(i) *Title held in trust.* The property is held in trust and the conditions in paragraphs (c)(3)(i) (A) through (F) of this section apply.

(A) The property must be the employee's residence as described in paragraph (b) of this section.

(B) The employee and/or a member(s) of the immediate family must be the only beneficiary(ies) of the trust during his/her lifetime.

(C) The employee and/or a member(s) of the immediate family must retain the right to distribute the property during his/her lifetime.

(D) The employee and/or a member(s) of the immediate family must retain the right to manage the property.

(E) The employee and/or a member(s) of the immediate family must be the only grantor/settlor of the trust, or must retain the right to direct distribution of the property upon dissolution of the trust or death.

(F) The employee provides the agency with a copy of the trust document.

(ii) *Title held by financial institution.* The title is held in the name of a financial institution and the conditions in paragraphs (c)(3)(ii) (A) through (D) of this section apply.

(A) The property is the employee's residence as described in paragraph (b) of this section.

(B) The employee and/or a member(s) of the immediate family executed a financing agreement (e.g., mortgage) with the financial institution.

(C) State or local law requires that lending parties take title to perfect (i.e., protect) a security interest in the property, or the financial institution requires that it take possession of title as a condition of the financing agreement.

(D) The employee must provide the agency with a copy of the financing document. The agency may require that the employee also provide proof of state or local laws governing secured credit.

(iii) *Title includes an accommodation party or parties.* The title is held both in the names of: the employee singularly,

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or the employee and one or more members of his/her immediate family jointly, or one or more members of his/her immediate family; and an individual (accommodation party) who is not an immediate family member. In addition, the conditions in paragraphs (c)(3)(iii) (A) through (G) of this section apply. (An accommodation party is an individual who signs an employee's financing agreement (e.g., a mortgage) to lend his/her name (i.e., credit) to the arrangement.)

(A) The property is the employee's residence as described in paragraph (b) of this section.

(B) The employee and/or a member(s) of the immediate family has right to use the property and to direct conveyance of the property.

(C) The lender requires signature of the accommodation party on the financing document.

(D) The employee and/or a member of the immediate family, is liable for payments under the financing arrangement (e.g., mortgage).

(E) The accommodation party's name is on the title.

(F) The accommodation party does not have a financial interest in the property unless the employee and/or a member(s) of the immediate family defaults on the financing arrangement.

(G) The employee provides the agency with acceptable documentation of the accommodation. Agencies shall issue policy defining acceptable documentation of the accommodation. Such documentation may include a copy of the financing document and/or a written statement from the employee certifying that the conditions in paragraphs (c)(3)(iii) (A) through (G) of this section apply. Such documentation also may include a written statement from the accommodation party certifying that he/she does not have a financial interest in the property.

(iv) *Title held by seller of the property.* The title is held in the name of the seller of the property and the conditions in paragraphs (c)(3)(iv) (A) through (D) of this section apply.

(A) The property is the employee's residence as described in paragraph (b) of this section.

(B) The employee and/or a member(s) of the immediate family has right to

use the property and to direct conveyance of the property.

(C) The employee and/or a member(s) of the immediate family must have signed a financing agreement with the seller of the property (e.g., a land contract) providing for fixed periodic payments and transfer of title to the employee and/or a member(s) of the immediate family upon completion of the payment schedule.

(D) The employee must provide the agency with a copy of the financing agreement.

(v) *Other equitable title situations.* The title is held both in the names of: the employee singularly, or the employee and one or more members of his/her immediate family jointly, or one or more members of his/her immediate family; and an individual who is not an immediate family member. In addition, the conditions in paragraphs (c)(3)(v) (A) through (E) of this section apply.

(A) The property is the employee's residence as described in paragraph (b) of this section.

(B) The employee and/or a member(s) of the immediate family has right to use the property and to direct conveyance of the property.

(C) Only the employee and/or a member(s) of the immediate family has made payments on the property.

(D) The employee and/or a member(s) of the immediate family received all proceeds from the sale of the property.

(E) The employee must provide suitable documentation to the agency that the conditions listed in paragraphs (c)(3)(v) (A) through (D) of this section have been met. Agencies shall issue policy defining acceptable documentation. Such documentation must include financial documents proving that only the employee and/or a member(s) of the immediate family made payments on the property, and financial documents proving that the employee and/or a member(s) of the immediate family received all proceeds from the sale of the property.

(d) *Occupancy requirements.* The dwelling for which reimbursement of selling expenses is claimed was, except as provided in paragraph (g) of this section, the employee's residence at the time he/she was first officially notified

by competent authority of his/her transfer to the new official station.

(e) *Time limitation*—(1) *Initial period.* The settlement dates for the sale and purchase or lease termination transactions for which reimbursement is requested are not later than 2 years after the date that the employee reported for duty at the new official station. For employees eligible under paragraph (g) of this section, new official station means the official station to which the employee reports for duty when re-assigned or transferred from a foreign area.

(2) *Extension of time limitation.* (i) Upon an employee's written request, the 2-year time limitation for completion of the sale and purchase or lease termination transactions may be extended by the head of the agency or his/her designee for an additional period of time not to exceed 1 year.

(ii) The employee's written request should be submitted to the appropriate agency official(s) as soon as the employee becomes aware of the need for an extension but before expiration of the 2-year limitation; however, in no case shall the request be submitted later than 30 calendar days after the expiration date unless this 30-day period is specifically extended by the agency.

(iii) Approval of this additional period of time shall be based on a determination that extenuating circumstances, acceptable to the agency concerned, have prevented the employee from completing the sale and purchase or lease termination transactions in the initial timeframe and that the residence transactions are reasonably related to the transfer of official station.

(iv) When an employee is eligible for an extension of the time limitations for completion of a residence transaction and such an extension is approved by an agency, relocation entitlements and allowances shall be determined by using the entitlements and allowances prescribed by regulations in effect on the employee's effective date of transfer and not the entitlements and allowances in effect at the time the extension of the time limitation is approved. (See § 302-1.3(d).)

(f) *Reimbursement of expenses.* The rules in paragraphs (f) (1) and (2) of this section govern the reimbursement of employee residence transaction expenses.

(1) *Employee must actually incur the expenses.* An employee shall be reimbursed only for expenses actually incurred and paid by the employee or a member of the employee's immediate family. If any expenses were shared by persons other than the employee or a member of his/her immediate family, reimbursement is limited to the portion actually paid by the employee and/or a member of his/her immediate family.

(2) *Pro rata reimbursement.* When the title possessed by an employee and/or a member(s) of his/her immediate family is not full title to the residence, or when an employee is deemed to have a title interest under paragraph (c)(3) of this section, the employee shall be reimbursed on a pro rata basis to the extent of his/her actual title interest plus his/her deemed title interest in the residence. Additionally, an employee shall be reimbursed on a pro rata basis in the situations listed in paragraphs (f)(2) (i) and (ii) of this section.

(i) *Multiple occupancy dwelling.* If the residence is a duplex or another type of multiple occupancy dwelling which is occupied only partially by the employee, or whenever the employee shares responsibility for a leased property (e.g., a shared apartment arrangement), expenses shall be reimbursed on a pro rata basis.

(ii) *Excess land.* The employee shall be limited to pro rata reimbursement when he/she sells or purchases land in excess of that which reasonably relates to the residence site.

(g) *Transfer from a foreign area to a nonforeign area*—(1) *Definitions.* For purposes of this paragraph, the following definitions apply:

(i) *Former nonforeign area official station.* This term means the official station from which the employee was transferred when assigned to the post of duty in the foreign area.

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(ii) *Nonforeign area.* Nonforeign area includes the United States, its territories or possessions, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979)).

(iii) *Foreign area.* Foreign area refers to any area not defined as a nonforeign area.

(2) *Applicability.* The provisions of this part are applicable, as specified in this paragraph, to employees who have completed an agreed upon tour of duty in a foreign area and instead of being returned to the former nonforeign area official station, are reassigned or transferred in the interest of the Government to a different nonforeign area official station than the official station from which the employee was transferred when assigned to the foreign post of duty. The distance between the former and new official stations must meet the mileage criteria specified in § 302-1.7 for short distance transfers.

(3) *Authorized reimbursement.* Generally, an employee is required to serve at least one tour of duty in a foreign area and retain a residence in a nonforeign area with the expectation of returning to the former official station in the nonforeign area. However, there are instances when an employee completes a tour of duty in a foreign area and is subsequently transferred to a different official station or post of duty in a nonforeign area than the one from which he/she transferred when assigned to the foreign post of duty. When this type of transfer is authorized or approved, reimbursement is allowable for real estate expenses required to be paid by the employee in connection with:

(i) The sale of the residence (or the settlement of an unexpired lease) at the official station from which the employee was transferred when he/she was assigned to a post of duty located in a foreign area; and

(ii) The purchase of a residence at the new official station when the employee is transferred in the interest of the Government from a post of duty lo-

cated in a foreign area to a nonforeign area official station (other than the official station from which he/she was transferred when assigned to the foreign post of duty).

(4) *Reimbursement limitations.* Reimbursement under this paragraph is prohibited for any sale (or settlement of an unexpired lease) or purchase transaction that occurs prior to the employee's first being officially notified (generally in the form of a change of official station travel authorization) that instead of returning to the former nonforeign area official station, he/she will be reassigned or transferred to a different nonforeign area official station than the one from which he/she was transferred when assigned to the foreign post of duty.

(5) *Service agreement required.* A signed service agreement shall be required as prescribed in § 302-1.5 for any employee who is eligible for reimbursement of residence transaction expenses authorized under this paragraph.

[54 FR 20321, May 10, 1989, as amended by FTR Amdt. 2, 54 FR 37811, Sept. 13, 1989; 54 FR 43521, Oct. 25, 1989; FTR Amdt. 10, 55 FR 41538, Oct. 12, 1990; FTR Amdt. 17, 56 FR 23658, May 23, 1991; 56 FR 29439, June 27, 1991; FTR Amdt. 26, 57 FR 28635, June 26, 1992; FTR Amdt. 37, 59 FR 27489, May 27, 1994; FTR Amdt. 62, 62 FR 13765, Mar. 21, 1997]

§ 302-6.2 Reimbursable and non-reimbursable expenses.

(a) *Brokers' fees and real estate commissions.* A broker's fee or real estate commission paid by the employee for services in selling his/her residence is reimbursable but not in excess of rates generally charged for such services by the broker or by brokers in the locality of the old official station. No such fee or commission is reimbursable in connection with the purchase of a home at the new official station.

(b) *Other advertising, selling, and appraisal expenses.* Costs of newspaper, bulletin board, multiple-listing services, and other advertising for sale of the residence at the old official station are reimbursable if the employee has not paid for such services in the form of a broker's fee or real estate agent's commission. The customary cost of an appraisal also may be reimbursed.

(c) *Legal and related expenses.* To the extent such costs have not been included in brokers' or similar services for which reimbursement is claimed under other categories, the following expenses are reimbursable with respect to the sale and purchase of residences if they are customarily paid by the seller of a residence at the old official station or if customarily paid by the purchaser of a residence at the new official station, to the extent they do not exceed amounts customarily charged in the locality of the residence: costs of (1) searching title, preparing abstract, and legal fees for a title opinion, or (2) where customarily furnished by the seller, the cost of a title insurance policy; costs of preparing conveyances, other instruments, and contracts and related notary fees and recording fees; costs of making surveys, preparing drawings or plats when required for legal or financing purposes; and similar expenses. Costs of litigation are not reimbursable.

(d) *Miscellaneous expenses—(1) Reimbursable items.* The following expenses are reimbursable in connection with the sale and/or purchase of a residence, provided they are customarily paid by the seller of a residence in the locality of the old official station or by the purchaser of a residence at the new official station, to the extent they do not exceed specifically stated limitations, or in the absence thereof, amounts customarily paid in the locality of the residence:

(i) FHA or VA fee for the loan application.

(ii) Loan origination fees and similar charges such as loan assumption fees and loan transfer fees. A loan origination fee is a fee paid by the borrower to compensate the lender for administrative type expenses incurred in originating and processing a loan. Reimbursement for a loan assumption fee or a loan transfer fee or a similar charge also may be allowed, if it is assessed in lieu of a loan origination fee and reflects charges for services similar to those covered by a loan origination fee. An employee may be reimbursed for these fees in an amount not in excess of 1 percent of the loan amount without itemization of the lender's administrative charges. Reimbursement may

exceed 1 percent only if the employee shows by clear and convincing evidence that:

(A) The higher rate does not include prepaid interest, points, or a mortgage discount; and

(B) The higher rate is customarily charged in the locality where the residence is located.

(iii) Cost of preparing credit reports.

(iv) Mortgage and transfer taxes.

(v) State revenue stamps.

(vi) Other fees and charges similar in nature to those listed in paragraphs (d)(1)(i) through (v) of this section, unless specifically prohibited in paragraph (d)(2) of this section.

(vii) Charge for prepayment of a mortgage or other security instrument in connection with the sale of a residence at the old official station to the extent the terms in the mortgage or other security instrument provide for this charge. This prepayment penalty is also reimbursable when the mortgage or other security instrument does not specifically provide for prepayment, provided this penalty is customarily charged by the lender, but in that case the reimbursement may not exceed 3 months' interest on the loan balance.

(viii) Mortgage title insurance policy, paid for by the employee, on a residence purchased by the employee for the protection of, and required by, the lender.

(ix) Owner's title insurance policy, provided it is a prerequisite to financing or the transfer of the property; or if the cost of the owner's title insurance policy is inseparable from the cost of other insurance which is a prerequisite to financing or the transfer of the property.

(x) Expenses in connection with construction of a residence, which are comparable to expenses that are reimbursable in connection with the purchase of an existing residence.

(xi) Expenses in connection with environmental testing and property inspection fees when required by Federal, State, or local law; or by the lender as a precondition to sale or purchase.

(2) *Nonreimbursable items.* Except as otherwise provided in paragraph (d)(1) of this section, the following items of expense are not reimbursable:

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(i) Owner's title insurance policy, "record title" insurance policy, mortgage insurance or insurance against loss or damage of property, and optional insurance paid for by the employee in connection with the purchase of a residence for the protection of the employee;

(ii) Interest on loans, points, and mortgage discounts;

(iii) Property taxes;

(iv) Operating or maintenance costs;

(v) No fee, cost, charge, or expense determined to be part of the finance charge under the Truth in Lending Act, title I, Pub. L. 90-321, as amended, and Regulation Z issued by the Board of Governors of the Federal Reserve System (12 CFR part 226), unless specifically authorized in paragraph (d)(1) of this section; and

(vi) Expenses that result from construction of a residence.

(e) *Losses due to prices or market conditions at the old and new posts of duty.* Losses are not reimbursable when they are incurred by an employee:

(1) Due to failure to sell a residence at the old official station at the price asked, or at its current appraised value, or at its original cost;

(2) Due to failure to buy a dwelling at the new official station at a price comparable to the selling price of the residence at the old official station; or

(3) Any similar losses.

(f) *Other expenses of sale and purchase of residences.* Incidental charges made for required services in selling and purchasing residences may be reimbursable if they are customarily paid by the seller of a residence at the old official station or if customarily paid by the purchaser of a residence at the new official station, to the extent they do not exceed amounts customarily charged in the locality of the residence.

(g) *Overall limitations—(1) Sale of the residence at the old official station.* The total amount of expenses that an agency may reimburse in connection with the sale of the residence at the old official station shall not exceed 10 percent of the actual sales price of the residence.

(2) *Purchase of a residence at the new official station.* The total amount of expenses that an agency may reimburse

in connection with the purchase of a residence at the new official station shall not exceed 5 percent of the actual purchase price of the residence.

(h) *Settlement of an unexpired lease.* Expenses incurred for settling an unexpired lease (including month-to-month rental) for residence quarters occupied by the employee at the old official station may include broker's fees for obtaining a sublease or charges for advertising an unexpired lease. Such expenses are reimbursable when (1) applicable laws or the terms of the lease provide for payment of settlement expenses, (2) such expenses cannot be avoided by sublease or other arrangement, (3) the employee has not contributed to the expense by failing to give appropriate lease termination notice promptly after he/she has definite knowledge of the transfer, and (4) the broker's fees or advertising charges are not in excess of those customarily charged for comparable services in that locality. Itemization of these expenses is required and the total amount shall be entered on an appropriate travel voucher. This voucher may be submitted separately or with a claim that is to be made for expenses incident to the purchase of a dwelling. Each item must be supported by documentation showing that the expense was in fact incurred and paid by the employee.

[54 FR 20321, May 10, 1989, as amended by FTR Amdt. 21, 56 FR 51177, Oct. 10, 1991; FTR Amdt. 27, 57 FR 45001, Sept. 30, 1992; FTR Amdt. 31, 58 FR 53137, Oct. 14, 1993; FTR Amdt. 40, 59 FR 46357, Sept. 8, 1994; FTR Amdt. 44, 60 FR 49348, Sept. 25, 1995; FTR Amdt. 59, 62 FR 13756, Mar. 21, 1997; 62 FR 26375, May 13, 1997]

§302-6.3 Procedural and control requirements.

(a) *Application for reimbursement and documentation of expenses.* Employees shall be furnished appropriate forms for claiming reimbursement for expenses of real estate transactions. Agencies shall prescribe a claim application form which meets internal administrative requirements. The form should include the most commonly incurred items of expense for which reimbursement may be claimed and any necessary administrative approval blocks. Amounts claimed must be supported by documentation showing that

the expense was in fact incurred and paid by the employee. Included in the required supporting documents (as appropriate) are copies of (1) the sales agreement, (2) the purchase agreement, (3) property settlement documents, (4) loan closing statements, and (5) invoices or receipts for other bills paid. An appropriate voucher shall be prepared by the employee and used in transmitting the claim application with supporting attachments. Reimbursement may be in two parts; i.e., a payment for expenses incurred in the sale of the former residence and a payment for expenses incurred in the purchase of a new dwelling.

(b) *Review and administrative approval of sale and purchase expenses.* Applications shall be reviewed by a responsible official of the agency. The application for reimbursement of expenses for the sale of a residence shall be sent to the claimant's old official station for review and approval of the claim unless agency review and approval functions are performed elsewhere. In case of transfer between agencies, review and approval of the application shall be made, if appropriate, at an installation of the hiring agency in the locality of the employee's old official station, but if the hiring agency has no appropriate installation, it shall be sent to the losing agency at the old official station for review and approval. This review and approval are intended to be limited to determining whether the expenses claimed are reasonable in amount and customarily paid by the seller in the locality where the property is located. If items of cost appear to have been inflated or are higher than normally imposed for similar services in the locality, any portion of such costs determined to be excessive shall be disallowed. When approved, the application shall be returned with such memorandum of explanation as may be appropriate. A similar review and approval are required in connection with an application for reimbursement of the expenses of the purchase of a new dwelling. Final administrative approval of payment of the claim must be executed by an appropriate approving official. Such official may accept as conclusive the required prior approvals covering reasonableness and custom;

he/she shall, however, in accordance with the provisions of this part, independently determine whether (1) the aggregate amount of expenses claimed in connection with a sale or purchase of a residence is within the prescribed limitation for either, (2) all conditions and requirements under which allowances may be paid have been met, and (3) the expenses themselves are those which are reimbursable. The employee's claim accompanied by the application and supporting documents shall be completed and submitted in accordance with the usual procedures of the agency concerned.

(c) *Assistance provided by local offices of the Department of Housing and Urban Development.* Technical assistance in determining the reasonableness of an expense may be obtained from the local or area office of the Department of Housing and Urban Development (HUD) serving the area in which the expense occurred. The local office maintains and can furnish upon request a current Form HUD-92496, Schedule of Closing Costs, applicable to the area. This is a schedule of closing costs typically encountered in connection with the purchase and sale of single family properties in the locality. For the purpose of determining whether the expenses claimed are reasonable and may be approved for reimbursement, these closing costs should be used as guidelines and not as rigid limitations. The local office will also furnish upon request information concerning local custom and practices with respect to charging of closing costs related to either a sale or purchase, including information as to whether such costs are customarily paid by the seller or purchaser and the local terminology used to describe them. Area or insuring offices of HUD are located in all major cities. The mailing addresses for these offices are included in the U.S. Government Manual, published annually by the Office of the Federal Register, National Archives and Records Administration. A directory containing the addresses of all such offices (HUD Form 788) is available at any HUD office.

(d) *Violation of employment agreement.* In the event the employee violates the terms of the agreement required under § 302-1.5, no expenses will be paid, and

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any amounts paid prior to such violation shall be a debt due the United States until they are paid by the employee.

[54 FR 20321, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-6.4 Exclusions.

The provisions of this part do not apply to new appointees, or employees assigned under the Government Employees Training Act (5 U.S.C. 4109).

[54 FR 20321, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

§ 302-6.5 Advance of funds.

No advance of funds is authorized in connection with the allowances provided in this part.

[54 FR 20321, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28635, June 26, 1992]

PART 302-7—TRANSPORTATION OF MOBILE HOMES

Sec.

- 302-7.1 Eligibility and limitations.
- 302-7.2 Computation of distances.
- 302-7.3 Computation of allowances.
- 302-7.4 Limitation on allowances.
- 302-7.5 Advance of funds.

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: 54 FR 20323, May 10, 1989, unless otherwise noted.

§ 302-7.1 Eligibility and limitations.

(a) *Eligibility.* An employee who is entitled to transportation of his/her household goods under part 302-8 shall, instead of such transportation, be entitled to an allowance, as provided in this part, for the transportation of a mobile home for use as a residence. To be eligible for the allowance, the employee shall certify in a manner prescribed by the head of the employing agency that the mobile home is for use as a residence for the employee and/or his/her immediate family at the destination. If an employee is not eligible to receive an allowance for movement of his/her mobile home, he/she may be eligible to receive an allowance based on the transportation of his/her household goods under part 302-8.

(b) *Geographic limitations*—(1) *Overland transportation.* Allowances for transportation of mobile homes overland may be made only for transportation of such homes within the continental United States (CONUS), within Alaska, and through Canada en route between Alaska and CONUS. Allowances for transportation within the limits prescribed may be paid even though the transportation involved originates, terminates, or passes through locations not covered, provided the amount of the allowance shall be computed on the basis of that part of the transportation which is within CONUS, within Alaska, or through Canada en route between Alaska and CONUS.

(2) *Over-water transportation.* Allowances for transportation of mobile homes over-water may be made only for transportation of such homes from a point of origin either within CONUS or within Alaska to a destination point either within CONUS or within Alaska.

(c) *Relationship to other allowances.* Allowances for transporting mobile homes (including mileage when towed by employee) are in addition to payment of per diem, mileage, and transportation expenses for employees and their immediate families. However, the fact that a mobile home may be moved at Government expense only if the employee certifies that it is to be used as a residence at the destination should be considered in determining allowances to be paid under parts 302-4, 302-5, and 302-6.

[54 FR 20323, May 10, 1989, as amended by FTR Amdt. 20, 56 FR 46989, Sept. 17, 1991]

§ 302-7.2 Computation of distances.

(a) *Standard highway mileage.* Where points of origin and destination are within the continental United States and Alaska, the allowable distance between these points shall be that shown in the standard highway mileage guides or actual miles driven as determined from odometer readings. (Actual odometer readings need not be shown on the travel voucher.) Any substantial deviation from distances shown in the standard highway mileage guides shall be explained.

(b) *Islands involved.* In addition to mileage, if the point of origin or destination is an island within the boundaries of one of the continental United States or Alaska and a ferry is used in transportation of a mobile home, the statute mileage between the island and the usual place of arrival or departure on the mainland shall be allowed, except that when such mileage is included in the standard highway mileage guides the mileage shown therein shall be used.

(c) *Unauthorized transportation involved.* Where point of origin or destination, or both, are not in the continental United States or Alaska, the allowable distance shall be limited to the distance which the mobile home is transported within or between any of the continental United States and Alaska, and through Canada en route between Alaska and the continental United States. In such instances, the mileage shall be computed as provided in paragraph (a) of this section.

§ 302-7.3 Computation of allowances.

(a) *Transportation by commercial carrier.* When a mobile home is transported by commercial carrier, an allowance for transportation costs shall include the following (see paragraph (d) of this section for preparation fees also allowable as transportation costs):

(1) The carrier's charges for actual transportation of the mobile home in an amount not exceeding the applicable tariff as approved by the Interstate Commerce Commission (or appropriate State regulatory body for intrastate movements) for transportation of a mobile home of the size and type involved for the distance involved, provided any substantial deviation from mileage shown in the standard highway mileage guides is explained;

(2) Ferry fares and bridge, road, and tunnel tolls;

(3) Taxes, charges or fees fixed by a State or other government authority for permits to transport mobile homes in or through its jurisdiction;

(4) Carrier's service charges for obtaining necessary permits; and

(5) Charges for a pilot (flag) car or escort services, when such services are required by State or local law.

(b) *Transportation by private means—*

(1) *Overland transportation.* When a mobile home is transported overland by means other than a commercial carrier, such as when it is towed by a privately owned conveyance, an allowance of 11 cents per mile shall be made as reimbursement for the transportation costs listed in paragraph (a) of this section. In addition, an agency may pay the costs of preparing a mobile home for movement and resettling it at the destination as provided in paragraph (d) of this section. No other allowance shall be made for transportation of the mobile home under this part. However, in addition to the 11-cent allowance and the allowance under paragraph (d) of this section, an agency may pay the mileage allowance for use of a privately owned conveyance as provided in § 302-2.3.

(2) *Transportation over-water.* When a boat used as a primary residence is transported over-water, an allowance for transportation costs shall include, but not be limited to:

(i) The cost of fuel and oil used for propulsion of the boat;

(ii) The cost of pilots or navigators in the open water;

(iii) The cost of a crew;

(iv) Charges for harbor pilots;

(v) The cost of docking fees incurred in transit;

(vi) Harbor or port fees and similar charges relating to entry in and navigation through ports; and

(vii) The cost of towing, whether in tow or towing by pushing from behind.

(c) *Mixed method of transportation.* When a mobile home is transported partly by commercial carrier and partly by private means, the allowances described in paragraphs (a) and (b) of this section apply to the respective portions of the transportation.

(d) *Other allowable transportation costs.* In addition to the allowances provided for in paragraphs (a) through (c) of this section, an allowance for transportation shall include costs generally associated with preparing a mobile home at a point of origin inside Alaska or CONUS for movement and resettling the mobile home at the destination inside Alaska or CONUS. Any costs for preparing a mobile home located outside Alaska or CONUS for movement,

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and any costs for resettling a mobile home outside Alaska or CONUS shall not be reimbursed. Preparation costs include but are not limited to:

(1) The costs of blocking and unblocking (including anchoring and unanchoring);

(2) The labor costs of removing and installing skirting;

(3) The cost of separating, preparing, and sealing each section for movement;

(4) The cost of reassembling the two halves of a double-wide mobile home; and

(5) Travel lift fees.

(e) *Unallowable costs.* An individual's transportation allowance shall not include the following costs (see part 302-3 which relates to the miscellaneous expenses allowance):

(1) All costs for replacement parts, tire purchases, structural repairs, brake repairs, or any other repairs or maintenance performed;

(2) Costs of insurance for valuation of mobile homes above carriers' maximum liabilities, or charges designated in the tariffs as "Special Service;"

(3) Costs of storage; and

(4) Costs of connecting and disconnecting appliances, equipment, and utilities involved in relocation and costs of converting appliances for operation on available utilities.

(f) *Optional use of Government bill of lading.* Instead of the allowances to the employee provided in paragraphs (a) through (e) of this section, the agency may, when it determines such action to be in the Government's interest, assume direct responsibility for transportation of an employee's mobile home, issuing necessary bills of lading, and paying the costs involved. In such instances, the employee shall not receive any other allowance for the transportation involved and shall be charged any cost the Government must pay under the bill of lading which would not be allowed under this section or which is in excess of that allowable under § 302-7.4.

[FTR Amdt. 20, 56 FR 46990, Sept. 17, 1991]

§ 302-7.4 Limitation on allowances.

The total amount allowable in § 302-7.3 shall not exceed the maximum amount which would be allowable for transportation and 90 days' temporary

storage of the employee's household goods if, instead of moving a mobile home, the maximum quantity of household goods allowable under § 302-8.2 had been moved.

§ 302-7.5 Advance of funds.

An advance of funds may be allowed an employee for the transportation of a mobile home under the requirements provided in § 302-1.14(a). The amount of advance shall not exceed either the estimated amount allowable under § 302-7.3(a) of the construction cost determined under § 302-7.4. No advance is authorized when a Government bill of lading is used as provided in § 302-7.3(f).

[FTR Amdt. 20, 56 FR 46990, Sept. 17, 1991]

PART 302-8—TRANSPORTATION AND TEMPORARY STORAGE OF HOUSEHOLD GOODS AND PROFESSIONAL BOOKS, PAPERS, AND EQUIPMENT

Sec.

302-8.1 Applicability.

302-8.2 General limitations.

302-8.3 Transportation within the continental United States.

302-8.4 Transportation outside the continental United States.

302-8.5 Temporary storage.

302-8.6 Advance of funds.

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: 54 FR 20324, May 10, 1989, unless otherwise noted.

§ 302-8.1 Applicability.

Employees covered by this subtitle who have complied with the general requirements as contained in part 302-1 are eligible for transportation and temporary storage of their household goods subject to the provisions of this part when they are transferred, regardless of whether the official stations involved are within or outside the continental United States, are appointed to positions in which Government transportation to the first official station is allowable, or are separated after

completion of a period of service overseas.

[54 FR 20324, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-8.2 General limitations.

(a) *Maximum weight allowance.* The maximum weight of household goods that may be transported or stored at Government expense is limited to 18,000 pounds net weight for all employees. The total weight of household goods stored under § 302-9.2 plus the weight of household goods transported under this part shall not exceed the maximum weight allowance prescribed in this paragraph.

(b) *Professional books, papers, and equipment.* (1) For purposes of this part, the term “professional books, papers, and equipment” includes those professional or specialized items and other materials which are personally owned by the employee for use in the performance of official duties. The term does not include sports equipment or office, household, or shop fixtures and furniture; e.g., bookcases, file cabinets, desks, and racks of any kind even though used in connection with the professional books, papers, and equipment.

(2) There is no statutory authority to transport personally owned professional books, papers, and equipment in addition to the maximum weight allowance (§ 302-8.2(a)) established by law for transportation of an employee’s household goods and personal effects. However, there may be instances in which the weight of the professional books, papers, and equipment would cause an employee’s household goods shipment to be in excess of the maximum weight allowance. In such instances, the personally owned professional books, papers, and equipment may be transported to the new permanent duty station as an administrative expense of an agency (not chargeable to travel and transportation appropriations). Shipment of these items as an administrative expense would be instead of shipment as an allowance of the employee.

(3) Authority to transport professional books, papers, and equipment as an administrative expense shall be sub-

ject to agency policy and discretion within the following guidelines:

(i) The employee shall furnish an itemized inventory of professional books, papers, and equipment for review by an appropriate authorizing official at the new permanent duty station. In addition, the employee shall furnish appropriate evidence (as determined by the agency concerned) that transporting the itemized materials as part of the employee’s household goods would result in an excess of the employee’s maximum weight allowance.

(ii) The authorizing official at the new permanent duty station shall review and certify that the professional books, papers, and equipment as itemized are necessary in the proper performance of the employee’s duties at the new duty station and that if these items were not transported to the new duty station, the same or similar items would have to be obtained at Government expense for the employee’s use at the new duty station.

(iii) When professional books, papers, and equipment are certified as provided in paragraph (b)(3)(ii) of this section and shipped for the employee as an administrative expense of an agency, shipment shall be by the actual expense method; the commuted rate method shall not be used. When shipped in the same lot with the employee’s household goods and other personal effects under the actual expense method, the professional books, papers, and equipment shall be packed and weighed separately; the weight thereof and the administrative appropriation chargeable shall be stated as separate items on the Government bill of lading. In unusual instances in which it is impractical or impossible to obtain separate weights, a constructive weight of 7 pounds per cubic foot may be used.

(c) *Determining the net weight—(1) Uncrated shipments.* When household goods are shipped uncrated as in a household mover’s van or similar conveyance, the net weight shall be that shown on the bill of lading or on the weight certificate attached thereto, which, under Interstate Commerce Commission (ICC) regulations, includes the weight of barrels, boxes, cartons, and similar materials used in packing,

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but does not include pads, chains, dollies, and other equipment needed to load and secure the shipment. When a noncommercial means of shipment is involved (see §302-8.3(a)(3)), the ICC regulations shall apply for determining the net weight. When an employee's claim is based on constructive weight as authorized in paragraph (c)(4) of this section, the net weight shall be the weight as determined under that provision.

(2) *Crated shipments.* When property is transported crated, the net weight shall not include the weight of the crating material. The net weight shall be computed as being 60 percent of the gross weight. However, if the net weight computed in this manner exceeds the applicable weight limitation and if it is determined that, for reasons beyond the employee's control, unusually heavy crating and packing materials were necessarily used, the net weight may be computed at less than 60 percent of the gross weight.

(3) *Containerized shipments.* When special containers designed normally for repeated use, such as lift vans, CONEX transporters, and household-goods shipping boxes are used and the known tare weight does not include the weight of interior bracing and padding materials but only the weight of the container, the net weight of the household goods shall be 85 percent of the gross weight less the weight of the container. If the known tare weight includes interior bracing and padding materials so that the net weight is the same as it would be for uncrated shipments in interstate commerce, the net weight shall not be subject to the reduction. If the gross weight of the container cannot be obtained, the net weight of the household goods shall be determined from the cubic measurement on the basis of 7 pounds per cubic foot of properly loaded container space.

(4) *Constructive weight.* If no adequate scale is available at point of origin, at any point en route, or at destination, a constructive weight, based on 7 pounds per cubic foot of properly loaded van space, may be used. Such constructive weight also may be used for a part-load when its weight could not be obtained at origin, en route, or at destination, without first unloading it or other

part-loads being carried in the same vehicle, or when the household goods are not weighed because the carrier's charges for a local or metropolitan area move are properly computed on a basis other than the weight or volume of the shipment (as when payment is based on an hourly rate and the distance involved). However, in such instances the employee should obtain a statement from the carrier showing the amount of properly loaded van space required for the shipment. (See also §302-8.3(a)(3) with respect to proof of entitlement to a commuted rate payment when net weight cannot be shown.)

(d) *Temporary storage time limit.* The time allowable for temporary storage in connection with an authorized shipment of household goods shall not exceed a period of 90 days. This time period also applies when an employee returns to his/her place of actual residence for leave before serving a new tour of duty outside the continental United States either at a different post of duty or at the same post of duty if the storage is provided instead of furnished quarters or a quarters allowance. However, upon an employee's written request, the initial 90-day period may be extended an additional period not to exceed 90 days under certain conditions if approved by the agency head or his/her designee. Justification for an additional storage period may include, but is not limited to, the following reasons:

(1) An intervening temporary duty or long-term training assignment;

(2) Nonavailability of suitable housing;

(3) Completion of residence under construction;

(4) Serious illness of employee or illness or death of a dependent; or

(5) Strikes, acts of God, or other circumstances beyond the control of the employee.

(e) *Origin and destination.* Cost of transportation of household goods may be paid by the Government whether the shipment originates at the employee's last official station or place of residence or at some other point, or if part of the shipment originates at the last official station and the remainder at one or more other points. Similarly,

these expenses are allowable whether the point of destination is the new official station or some other point selected by the employee, or if the destination for part of the property is the new official station and the remainder is shipped to one or more other points. However, the total amount which may be paid or reimbursed by the Government shall not exceed the cost of transporting the property in one lot by the most economical route from the last official station of the transferring employee (or the place of actual residence of the new appointee at time of appointment) to the new official station. In connection with return from overseas for separation, see §302-1.12(d). No property acquired by the employee en route between old and new official stations shall be eligible for transportation under this part.

(f) *Loss and damage liability.* Limitations on the Government's liability for loss or damage of an employee's household goods are contained in the Military Personnel and Civilian Employees' Claims Act of 1964 (31 U.S.C. 3721-3723) and in agency rules and regulations issued under the authority thereof. Since agency practices and regulations under that Act differ, and in view of the different circumstances under which household goods are transported and temporarily stored under the authority of this part, each agency should advise transferred employees of the applicability and restrictions on claims against the Government for loss and damage as related to the transportation circumstances involved. Agencies should also be prepared to give advice to employees as to the liability of the carrier for loss and damage of transported household goods in the transportation circumstances involved so that they will be able to evaluate the need for insurance and the advisability of incurring a valuation charge. (For interstate shipments by motor carrier on commercial bills of lading, see 49 CFR part 1056.)

[54 FR 20324, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-8.3 Transportation within the continental United States.

(a) *The commuted rate system—(1) Description.* Under the commuted rate sys-

tem an employee makes his/her own arrangements for transporting household goods between points within the continental United States. He/She selects and pays the carrier or transports his/her goods by noncommercial means and is reimbursed by the Government in accordance with schedules of commuted rates which are contained in the GSA publication, *Commuted Rate Schedule for Transportation of Household Goods*. Agencies requiring this publication shall prepare a Standard Form 1, *Printing and Binding Requisition*, and send it to: Superintendent of Documents, Departmental Account Representative Division, U.S. Government Printing Office (GPO), Washington, DC 20401. The schedules of commuted rates which are developed from tariffs that carriers have filed with the Interstate Commerce Commission consist of tables to be applied to the particular transportation involved. The commuted rate includes costs of line-haul transportation, packing, crating, unpacking, drayage incident to transportation, and other accessorial charges. Costs of temporary storage which are subject to reimbursement under §302-8.5 are stated separately in the schedule of commuted rates.

(2) *Reimbursement.* When the commuted rate system is used, the amount to be paid to the employee for transportation and related services is computed by multiplying the number of hundreds of pounds shipped (within the maximum weight allowance) by the applicable rate per hundred pounds for the distance shipped as shown in the commuted rate schedule. The distance shall be determined in accordance with household goods mileage guides filed with the Interstate Commerce Commission. If the rate is not shown in the commuted rate schedule for the exact mileage, the rate shown for the next greater distance applies. If an employee is charged a minimum weight above the actual weight of his/her household goods under the applicable tariff (other than one based on expedited or special services), the reimbursement shall be based on the minimum weight as charged instead of the actual weight of the goods.

(3) *Documentation.* Claims for reimbursement under the commuted rate

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system shall be supported by a receipted copy of the bill of lading (a reproduced copy may be accepted) including any attached weight certificate copies if such a bill was issued. If no bill of lading was involved, other evidence showing points of origin and destination and the weight of the goods must be submitted. Employees who transport their own household goods are cautioned to establish the weight of such goods by obtaining proper weight certificates showing gross weight (weight of vehicle and goods) and tare weight (weight of vehicle alone) because compliance with the requirements for payment at commuted rates on the basis of constructive weight (see § 302-8.2(c)(4)) usually is not possible.

(b) *Actual expense method*—(1) *Description*. Under the actual expense method, the Government assumes responsibility for awarding contracts and for other negotiations with carriers. The property is shipped on a Government bill of lading, and the Government audits and pays transportation vouchers directly to carriers. Under the actual expense method, the household goods are shipped by the Government, not by the employee.

(2) *Agency responsibility*. Selection of the carrier, arranging for carrier services and for packing and crating, preparing the Government bill of lading, paying charges incurred, and processing any loss and damage claims are the direct responsibility of the agency.

(3) *Allowable charges*. The actual costs of transportation of household goods within the authorized weight limits will be allowed at Government expense. Also, within that weight limit, the actual costs for packing, crating, unpacking, drayage incident to transportation, and necessary accessorial services shall be allowed.

(4) *Multiple shipment procedures*. When the actual expense method is used in shipping household goods belonging to two or more employees between the same two points, the weight of the household goods of each employee is to be identified for the purpose of applying the maximum weight limitations.

(5) *Excess weight procedures*. When the weight of an employee's household goods exceeds the maximum weight

limitation, the total quantity may be shipped on a Government bill of lading, but the employee shall reimburse the Government for the cost of transportation and other charges applicable to the excess weight, computed from the total charges according to the ratio of excess weight to the total weight of the shipment.

(c) *Use of commuted rate or actual expense method*—(1) *Considerations*. When the commuted rate system is used, the Government is relieved of the responsibility and administrative expense of selecting and dealing with carriers and making other arrangements for transporting employees' household goods; however, the Government cannot take advantage of special discounts which may be offered. On the other hand, when the actual expense method is used, the Government incurs the additional expenses of selecting and dealing with carriers, preparing bills of lading, auditing and paying transportation vouchers, supervising the packing of household goods, handling employee loss and damage claims, and other incidentals.

(2) *Estimating costs*. Under the commuted rate system, an accurate estimate of cost depends upon the accuracy of the estimate of weight. However, under the actual expense method the cost to the Government will usually depend not only on the weight involved but also on the accessorial services required, the quality of packing and the quantity of individual cartons, boxes, barrels, and wardrobes used by the carrier in packing. When the commuted rate system is used, the packing and accessorial charges are authorized and paid for by the employee from the amounts allowed for those charges under that system. Under the actual expense method, the accessorial and packing charges are paid by the Government, and if those charges are high, they may more than offset any discount in the line-haul rate which may be available for shipments by Government bill of lading. A proper comparison of costs must take into account the line-haul transportation charge, the administrative costs as indicated in paragraph (c)(1) of this section, and the expected accessorial and packing charges.

(3) *Policy.* The general policy is that commuted rates shall be used for transportation of employees' household goods when individual transfers are involved, and that appropriate action, depending on the amount of goods to be transported, shall be taken to estimate and compare actual expense method costs with commuted rate costs when groups of employees are transferred between the same official stations at approximately the same time so that the method resulting in less cost to the Government may be used. Specific procedures to be followed are contained in paragraph (c)(4) of this section.

(4) *Criteria for use of the actual expense method*—(i) *Individual transfers.* Agency experience with the actual expense method has shown that shipment by Government bill of lading does not result in savings simply because a line-haul discount is available. Therefore, the commuted rate system shall be used for individual transfers without consideration being given the actual expense method; except that the actual expense method may be used if the actual costs to be incurred by the Government for packing and other accessorial services are predetermined (at least as to price per 100 pounds) and if that method is expected to result in a real savings to the Government of \$100 or more. (For intrastate transfers, see paragraph (c)(4)(iv) of this section.)

(ii) *Multiple transfers.* Under general rate tenders arranged by GSA and the Department of Defense (DOD), participating carriers agree to transport the household goods of Government employees at rates below commercial rates for specific periods of time. These tenders are arranged under 49 U.S.C. 10721, and no further agency negotiation is necessary to take advantage of them. Agencies shall evaluate the use of such rates when, because of the transfer of several employees, they have a large volume of household goods to be moved between the same places at the same time even though no mass move is involved; however, the added costs for use of the actual expense method, as discussed in paragraph (c)(1) of this section, and the uncertainty as to total cost for packing and accessorial services, as discussed in paragraph (c)(2) of this section, shall be

taken into consideration, and the actual expense method shall be selected only if it is considered likely that a real savings to the Government will result from the use of that method.

(iii) *Mass moves.* Whenever an entire facility is being relocated or whenever it is anticipated that 10 or more shipments of household goods are to be transported between the same two points at approximately the same time, the agency involved shall notify the appropriate regional or zonal office of the General Services Administration (for civilian agencies without specialized transportation personnel) or the appropriate transportation office of DOD (for components of that Department) of the forthcoming move so that an analysis can be made of existing available rates for use under the actual expense method. The notification shall be accompanied by all pertinent information concerning points of origin and destination, estimated weights of property, the number of persons or different families involved, and dates or periods of time when each person or family is expected to move. When appropriate, the GSA or DOD transportation organization shall attempt to arrange with carriers for worthwhile reduced rates and shall advise the agency concerned of the results of such efforts. If these efforts show that a saving will result, considering all direct and indirect costs involved, the actual expense method shall be used. Otherwise, the commuted rate system shall be used.

(iv) *Unusual circumstances.* The commuted rates do not take into account intrastate rates that in some instances may be substantially higher than the interstate rates that form the basis for the commuted rates. In order to avoid the necessity of prescribing commuted rates for such circumstances, the actual expense method (Government bill of lading) may be used when it is administratively determined that the commuted rate system would cause an unusual hardship for an employee transferring between official stations within a State. This authority shall not be used indiscriminately, and its use shall be carefully documented and justified.

[54 FR 20324, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-8.4 Transportation outside the continental United States.

(a) *Coverage.* This section contains special rules which are applicable to the transportation of household goods at Government expense to, from, and between points outside the continental United States. Individual eligibility is covered in part 302-1.

(b) *Weight limitation.* The maximum weight specified in § 302-8.2 is applicable; however, where furnished or partly furnished quarters are to be provided outside the continental United States (in the case of a transfer to such a station) or have been provided (in the case of a return to the continental United States), agencies shall make an appropriate reduction in the weight of household goods which may be authorized for shipment at Government expense.

(c) *Allowable costs—(1) Actual expense basis.* Transportation authorized under this section shall be on an actual expense basis. Actual expense includes costs of transportation of household goods, packing and crating (including packing and crating materials and temporary containers), unpacking, and other necessary accessorial charges within applicable limits.

(2) *Drayage.* If door-to-door common carrier rates are not applicable, allowable costs include the actual costs of drayage to and from the common carrier for goods not in excess of the authorized weight.

(3) *Lift vans.* Charges allowable for packing and crating and for transportation include expenses incurred in hiring, transporting, and packing lift vans when shipments are made in whole or in part by water, but do not include charges in connection with any shipment or storage of empty lift vans or import duties on lift vans.

(4) *Valuation.* The valuation of property as declared for shipping will not exceed that to which the lowest freight rates will apply except as provided in paragraph (e)(3) of this section.

(d) *Procedures applicable—(1) Transportation and related services.* The allowable transportation and related services may be obtained by the agency concerned from any available commercial carrier, except that all shipments of property by water shall be made on

ships registered under the laws of the United States whenever such ships are available.

(2) *Use of Government bill of lading.* Commercial shipments will be made on Government bills of lading or purchase orders whenever possible; otherwise, reimbursement shall be made to the employee for transportation expenses actually and necessarily incurred within the limitations prescribed by this section.

(3) *Itemization of charges.* If the services rendered cover, in addition to transportation, other services such as packing, crating, drayage, unpacking, and temporary storage, the total charge for the services shall be itemized to show the charge for each service.

(e) *Services in excess of those authorized—(1) By means other than selected.* An employee may elect to have his/her household goods moved by some means other than the means selected by the Government, except as noted in paragraph (d)(1) of this section relating to transportation by foreign flag vessels, on the condition that he/she will pay the amount, if any, by which the charges for the means of transportation selected by him/her exceed the charges for the means of transportation selected by the Government.

(2) *Excess weight.* If household goods in excess of the weight allowable under this regulation are shipped on a Government bill of lading or purchase order, the employee shall promptly upon completion of the shipment pay the proper agency official for the excess cost. The excess cost shall be computed from the total charges according to the ratio of excess weight to the total weight of the shipment.

(3) *Excess valuation or insurance.* An employee may declare a valuation above the minimum permitted if he/she assumes all additional expenses resulting therefrom, including the cost of insurance needed to protect the higher valuation. (See § 302-8.2(f).)

[54 FR 20324, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-8.5 Temporary storage.

(a) *Applicability.* Temporary storage of household goods at Government expense may be allowable only when such

storage is incident to transportation of the household goods at Government expense.

(b) *Allowable expenses*—(1) *Commuted rate system*. In connection with transportation within the continental United States under the commuted rate system, costs of temporary storage within the applicable weight limit will be reimbursed to the employee in the amount of his/her costs for storage including in and out charges and necessary drayage, but not to exceed the commuted rates for storage in the GSA publication, Commuted Rate Schedule for Transportation of Household Goods. (See §302-8.3(a)(1).) A receipted copy of the warehouse or other bill for storage costs is required to support reimbursement.

(2) *Actual expense method*. In connection with transportation within or outside the United States when the actual expense method is used, the Government will normally arrange for necessary temporary storage and pay the cost thereof direct. If an employee must arrange for temporary storage in connection with transportation by the actual expense method, he/she may be reimbursed for reasonable costs incurred for storage including in and out charges and necessary drayage within the applicable limitations. Charges for excess weight, valuation above the minimum amount, and services obtained by the employee at higher costs shall be the responsibility of the employee in the same manner as he/she is responsible for excess costs incident to transportation. (See §§302-8.3(b)(5) and 302-8.4(e).)

§ 302-8.6 Advance of funds.

(a) *Commuted rate system*. Advances of funds may be made to employees up to the estimated amount of the commuted payment for the cost of authorized transportation and temporary storage of their household goods under the procedures and policies prescribed in §302-1.14(a).

(b) *Overseas shipments*. For overseas shipment, advance of funds may be made for the estimated cost of transportation and temporary storage only if the cost of authorized transportation and temporary storage will not be paid directly by the Government, as is the

case when a Government bill of lading or purchase order is used.

(c) *Procedures*. In requesting an advance of funds, the employee shall submit a written statement designating:

(1) The points of origin and destination,

(2) The estimated weight of household goods to be shipped, and

(3) Any anticipated temporary storage not to exceed a period of 90 days at Government expense. The estimate of weight required in support of an advance of funds shall consist of a statement of the estimated weight signed by the carrier selected to handle the shipment, if available. If not available, evidence of actual weight or a reasonable estimate thereof acceptable to the agency shall be furnished.

PART 302-9—ALLOWANCES FOR NONTEMPORARY STORAGE OF HOUSEHOLD GOODS

Sec.

302-9.1 Nontemporary storage during assignment to isolated locations in the continental United States.

302-9.2 Nontemporary storage during assignment outside the continental United States.

302-9.3 Storage during school recess for Department of Defense overseas teachers.

302-9.4 Advance of funds.

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: 54 FR 20328, May 10, 1989, unless otherwise noted.

§ 302-9.1 Nontemporary storage during assignment to isolated locations in the continental United States.

(a) *Policy*. Nontemporary storage of household goods belonging to an employee transferred or a new appointee assigned to an official station at an isolated location in the continental United States shall be allowed only when it is clearly justified under the conditions in this part and is not primarily for the convenience or at the request of the employee or the new appointee.

(b) *Isolated official stations—criteria*. Under this section, an official station

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at an isolated location is a place of permanent duty assignment in the continental United States at which an employee has no alternative except to live where he/she is unable to use his/her household goods because:

(1) The type of quarters he/she is required to occupy at the isolated permanent duty station will not accommodate his/her household goods; or

(2) Residence quarters which would accommodate his/her household goods are not available within reasonable daily commuting distance of the official station. However, the designation of an official station as isolated in accordance with paragraph (c) of this section shall not preclude a determination in individual instances that adequate housing is available for some employees stationed there based on housing which may be available within daily commuting distance and the size and other characteristics of each employee's immediate family. In such instances, the station shall not be considered isolated with regard to those employees for whom adequate family housing is determined to be available.

(c) *Isolated official stations—designation.* Heads of agencies concerned are responsible for designating the isolated official stations at which conditions exist for allowing nontemporary storage of household goods at Government expense for some or all employees.

(d) *Eligibility.* Eligibility for nontemporary storage of household goods and personal effects applies to an employee stationed at an isolated official station, which meets the criteria in paragraph (b) of this section, who performed permanent change of station travel or travel as a new appointee.

(e) *Authorization.* The authorization for nontemporary storage should be contained in the travel order or other document authorizing transfer or appointment at an isolated official station. However, storage may be approved subsequently if the employee or new appointee is otherwise eligible.

(f) *Allowable storage—(1) Place of storage.* Under regulations prescribed by the head of the agency concerned, the property may be stored either in available Government-owned storage space or in suitable commercial or privately owned space obtained by the Govern-

ment if Government-owned space is not available or if commercial or privately owned space is more economical or suitable because of location, difference of transportation costs, or for other reasons.

(2) *Allowable costs.* Allowable costs for storing the property include the cost of necessary packing, crating, unpacking, uncrating, transportation to and from place of storage, charges while in storage, and other necessary charges directly relating to the storage.

(3) *Partial storage.* An eligible employee or new appointee may be authorized to have a portion of his/her household goods transported to the isolated official station and to have the remainder stored at Government expense. However, the weight of the goods stored plus the weight of the goods transported shall not exceed the maximum applicable weight allowance for which the employee is eligible.

(4) *Changes in type of storage.* Authority may be granted for the conversion of household goods from temporary to nontemporary storage and from storage at personal expense to nontemporary storage at Government expense.

(g) *Time limitations.* Nontemporary storage shall be authorized for periods of time not exceeding 1 year and extended as necessary in accordance with the length of an employee's assignment at an isolated official station. Appropriate periodic review shall be made to determine whether current conditions at the isolated locality with regard to availability of housing warrant continuation of the authority for nontemporary storage. Eligibility for nontemporary storage at Government expense shall terminate on the employee's last day of active duty at the isolated official station. When an employee ceases to be eligible, nontemporary storage at Government expense may continue until the beginning of the second month after the month in which his eligibility terminates. However, the period of nontemporary storage shall not exceed 3 years.

[54 FR 20328, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-9.2 Nontemporary storage during assignment outside the continental United States.

(a) *Eligibility.* Under regulations that may be prescribed by the head of the agency concerned, an employee stationed at an official station other than one located in the continental United States or an employee or new appointee transferred or appointed to such a station may be allowed nontemporary storage of his/her household goods while so assigned if:

(1) The official station is one to which he/she is not authorized to take, or at which he/she is unable to use, the household goods; or

(2) The storage is authorized in the public interest; or

(3) The estimated cost of storage would be less than the cost of round-trip transportation (including temporary storage) of the household goods to the new official station.

(b) *Authorization.* Normally, the authorization for nontemporary storage shall be contained in the travel order or other document authorizing the employee's change of station or authorizing a new appointee to report to his/her official station. However, storage may be approved subsequently if the employee or new appointee would otherwise be eligible.

(c) *Allowable storage—(1) Place of storage.* The property may be stored either in available Government-owned storage space or in suitable commercial or privately owned space if Government-owned space is not available or if commercial or privately owned space obtained by the Government is more economical or suitable because of location, difference of transportation costs, or other reasons.

(2) *Allowable costs.* Allowable costs for storing the property include the cost of necessary packing, crating, unpacking, uncrating, transportation to and from place of storage, charges while in storage, and other necessary charges directly relating to the storage.

(3) *Partial storage.* The employee or new appointee may be authorized to have a portion of his/her goods transported to the official station unless it is a station to which he/she is not authorized to take, or at which he/she is unable to use, any of the goods. How-

ever, the weight of the goods stored plus the weight of the goods transported shall not exceed the maximum applicable weight allowance for which the employee is eligible.

(4) *Change in type of storage.* Authority may also be granted for the conversion of household goods from temporary to nontemporary storage at Government expense, and from storage at personal expense to nontemporary storage at Government expense, if the employee or new appointee is otherwise eligible.

(d) *Time limitations.* Nontemporary storage at Government expense may be authorized for a period not to exceed the length of the employee's tour of duty at the overseas station plus 1 month prior to the time the tour begins. The storage period may be extended for subsequent service or tours of duty at the same or other overseas stations if the provisions of paragraph (a) of this section continue to be met. When an employee ceases to be eligible for the allowance, storage at Government expense may continue until the beginning of the second month after the month in which his/her eligibility terminates, unless to avoid inequity the agency extends the period. Eligibility shall be deemed to terminate on the last day of active duty at the overseas station.

§ 302-9.3 Storage during school recess for Department of Defense overseas teachers.

(a) *Description.* The Department of Defense Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 905) provides authority for the storage of the household goods of Department of Defense overseas teachers during the recess period between 2 consecutive school years.

(b) *Regulations.* Storage of household goods of Department of Defense overseas teachers may be allowed at Government expense under regulations prescribed by the Secretary of Defense in accordance with this part.

(c) *Authorization and conditions—(1) Authorization.* Storage during the school recess should be authorized prior to the close of the school year. However, storage may be approved at a

later date if all the required terms and conditions have been fulfilled.

(2) *Agreement.* To be eligible for recess storage, a teacher serving at the close of a school year must agree in writing to serve as a teacher for the next school year.

(3) *Forfeited entitlements.* The storage shall be instead of quarters or quarters allowance authorized by 20 U.S.C. 905 and any other storage of household goods to which the teacher might be entitled through employment in another position during any recess period between 2 school years.

(d) *Allowable storage—(1) Place of storage.* The property may be stored either in available Government-owned space or in suitable commercial or privately owned space if Government-owned space is not available or if commercial or privately owned space obtained by the Government is more economical or suitable because of location, difference of transportation costs, or other reasons.

(2) *Allowable costs.* Allowable costs for storing the property include the cost of necessary packing, crating, unpacking, uncrating, transportation to and from place of storage, charges while in storage, and other necessary charges directly relating to the storage.

(3) *Weight limitations.* The weight of the household goods stored during the recess period shall not exceed the weight authorized for the employee less the weight of household goods stored under §302-9.2.

(e) *Time limitation.* The period of storage shall not exceed the period of the recess between the 2 school years.

(f) *Breach of agreement.* If the teacher does not report for service at the beginning of the next school year, except for reasons beyond his/her control and acceptable to the Department of Defense, he/she shall be obligated to reimburse the Department in the amount paid by the Department for the commercial storage, including related services. If, however, the property was stored in a Government facility, the teacher shall pay the agency an amount equal to the reasonable value of the storage furnished, including related services.

[54 FR 20328, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-9.4 Advance of funds.

Advances of funds are not authorized in connection with the storage allowances covered by this part.

[54 FR 20328, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

PART 302-10—ALLOWANCES FOR TRANSPORTATION AND EMERGENCY STORAGE OF A PRIVATELY OWNED VEHICLE

Subpart A—General Rules

Sec.

- 302-10.1 What is a “privately owned vehicle (POV)”?
- 302-10.2 What is an “official station” for purposes of this part?
- 302-10.3 What is a “post of duty” for purposes of this part?
- 302-10.4 What are the purposes of the allowance for transportation of a POV?
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- 302-10.6 What POV transportation and emergency storage may my agency authorize at Government expense?
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- 302-10.8 What type of POV may I be authorized to transport, and if necessary, store under emergency circumstances?
- 302-10.9 For what transportation expenses will my agency pay?
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- 302-10.11 May I receive an advance of funds for transportation and emergency storage of my POV?
- 302-10.12 May my agency determine that driving my POV is more advantageous and limit my reimbursement to what it would cost to drive my POV?

Subpart B—Transportation of a POV to a Post of Duty

General

- 302-10.100 Who is eligible for transportation of a POV to a post of duty?
- 302-10.101 In what situations may my agency authorize transportation of a POV to my post of duty?
- 302-10.102 How many POV's may I transport to a post of duty?
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POV Transportation at Time of Assignment

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- 302-10.141 What is the "authorized point of origin" when I transport a POV to my post of duty?
- 302-10.142 What will I be reimbursed if I transport a POV from a point of origin that is different from the authorized point of origin?
- 302-10.143 When I am authorized to transport a POV, may I have the manufacturer or the manufacturer's agent transport a new POV from the factory or other shipping point directly to my post of duty?

POV Transportation Subsequent to the Time of Assignment

- 302-10.170 Under what specific conditions may my agency authorize transportation of a POV to my post of duty subsequent to the time of my assignment to that post of duty?
- 302-10.171 If circumstances warrant an authorization to transport a POV to my post of duty after my assignment to the post of duty, must I sign a new service agreement?
- 302-10.172 Under what conditions may my agency authorize transportation of a replacement POV to my post of duty?
- 302-10.173 How many replacement POV's may my agency authorize me to transport to my post of duty at Government expense?
- 302-10.174 What is the "authorized point of origin" when I transport a POV, including a replacement POV, to my post of duty subsequent to the time of my assignment to that post of duty?
- 302-10.175 When I am authorized to transport a POV, including a replacement POV, to my post of duty subsequent to the time of my assignment to that post of duty, may I have the manufacturer or the manufacturer's agent transport a new POV from the factory or other shipping point directly to my post of duty?

Subpart C—Return Transportation of a POV from a Post of Duty

- 302-10.200 When am I eligible for return transportation of a POV from my post of duty?
- 302-10.201 In what situations will my agency pay to transport a POV transported from my post of duty?
- 302-10.202 When do I become entitled to return transportation of my POV from my post of duty to an authorized destination?

- 302-10.203 Is there any circumstance under which I may be authorized to transport my POV from a post of duty before completing my service agreement?
- 302-10.204 What is the "authorized point of origin" when I transport my POV from my post of duty?
- 302-10.205 What is the "authorized destination" of a POV transported under this subpart?
- 302-10.206 What should I do if there is no port or terminal at my authorized point of origin or authorized destination when I transport a POV from my post of duty?
- 302-10.207 What will I be reimbursed if I transport my POV from a point of origin or to a destination that is different from my authorized origin or destination?
- 302-10.208 If I retain my POV at my post of duty after conditions change to make use of the POV no longer in the interest of the Government, may I transport it at Government expense from the post of duty at a later date?
- 302-10.209 Under what conditions may my agency authorize me to transport from my post of duty a replacement POV purchased at that post of duty?

Subpart D—Transportation of a POV Wholly Within the Continental United States (CONUS)

- 302-10.300 When am I eligible for transportation of my POV wholly within CONUS at Government expense?
- 302-10.301 Under what conditions may my agency authorize transportation of my POV wholly within CONUS?
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- 302-10.303 If I am authorized to transport my POV wholly within CONUS, where must the transportation originate?
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Subpart E—Emergency Storage of a POV

- 302-10.400 When am I eligible for emergency storage of my POV?
- 302-10.401 Where may I store my POV if I receive notice to evacuate my immediate family and/or household goods from my post of duty?

Subpart F—Agency Responsibilities

- 302-10.500 What means of transportation may we authorize for POV's?
- 302-10.501 How should we administer the allowances for transportation and emergency storage of a POV?

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302-10.502 What governing policies must we establish for the allowances for transportation and emergency storage of a POV?

302-10.503 Under what condition may we authorize transportation of a POV to a post of duty?

302-10.504 What factors must we consider in deciding whether to authorize transportation of a POV to a post of duty?

302-10.505 What must we consider in determining whether transportation of a POV wholly within CONUS is cost effective?

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: FTR Amdt. 65, 62 FR 13794, Mar. 21, 1997, unless otherwise noted.

Subpart A—General Rules

NOTE TO SUPART A: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§302-10.1 What is a “privately owned vehicle (POV)”?

A motor vehicle not owned by the Government and used by the employee or his/her immediate family for the primary purpose of providing personal transportation.

§302-10.2 What is an “official station” for purposes of this part?

An official station is defined in §302-1.4(k). For purposes of this part, an official station may be within or outside the continental United States (CONUS).

§302-10.3 What is a “post of duty” for purposes of this part?

An official station outside CONUS.

§302-10.4 What are the purposes of the allowance for transportation of a POV?

To reduce the Government’s overall relocation costs by allowing transportation of a POV to your official station within CONUS when it is advantageous and cost effective to the Government, and to improve your overall effectiveness if you are transferred or otherwise assigned to a post of duty at which it is in the interest of the Government for you to have use of a POV for personal transportation.

§302-10.5 What is the purpose of the allowance for emergency storage of a POV?

To protect a POV transported at Government expense to your post of duty when the head of your agency determines that the post of duty is within a zone from which your immediate family and/or household goods should be evacuated.

§302-10.6 What POV transportation and emergency storage may my agency authorize at Government expense?

Your agency may authorize:

(a) Transportation of a POV to a post of duty as provided in subpart B of this part;

(b) Transportation of a POV from a post of duty as provided in subpart C of this part;

(c) Transportation of a POV wholly within CONUS as provided in subpart D of this part; and

(d) Emergency storage of a POV as provided in subpart E of this part.

§302-10.7 Must my agency authorize transportation or emergency storage of my POV?

No. However, if your agency does authorize transportation of a POV to your post of duty and you complete your service agreement, your agency must pay for the cost of returning the POV. Your agency determines the conditions under which it will pay for transportation and emergency storage and the procedures a transferred employee must follow.

§302-10.8 What type of POV may I be authorized to transport, and if necessary, store under emergency circumstances?

Only a passenger automobile, station wagon, small truck, or other similar vehicle that will be used primarily for personal transportation. You may not transport or store a trailer, airplane, or any vehicle intended for commercial use.

§302-10.9 For what transportation expenses will my agency pay?

When your agency authorizes transportation of your POV, it will pay for all necessary and customary expenses directly related to the transportation

of the POV, including crating and packing expenses, shipping charges, and port charges for readying the POV for shipment at the port of embarkation and for use at the port of debarkation.

§ 302-10.10 For what POV emergency storage expenses will my agency pay?

All necessary storage expenses, including but not limited to readying the POV for storage, local transportation to point of storage, storage, readying the POV for use after storage, and local transportation from the point of storage. Insurance on the POV is at your expense, unless it is included in the expenses allowed by this paragraph.

§ 302-10.11 May I receive an advance of funds for transportation and emergency storage of my POV?

Yes, in accordance with § 302-1.14(a) and not to exceed the estimated amount of the expenses authorized under this part for transportation and emergency storage of your POV.

§ 302-10.12 May my agency determine that driving my POV is more advantageous and limit my reimbursement to what it would cost to drive my POV?

Yes. Your agency decides whether it is more advantageous for you and/or a member of your immediate family to drive your POV for all or part of the distance or to have it transported. If your agency decides that driving the POV is more advantageous, your reimbursement will be limited to the allowances provided in part 302-2 of this chapter for the travel and transportation expenses you and/or your immediate family incur en route.

Subpart B—Transportation of a POV to a Post of Duty

NOTE TO SUBPART B: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

General

§ 302-10.100 Who is eligible for transportation of a POV to a post of duty?

An employee who is authorized to transfer to the post of duty, or a new appointee or a student trainee assigned to the post of duty.

§ 302-10.101 In what situations may my agency authorize transportation of a POV to my post of duty?

Your agency may authorize transportation when:

(a) At the time of your assignment, conditions warrant such authorization under § 302-10.140;

(b) Subsequent to the time of your assignment conditions, which did not warrant authorization at the time of your assignment, change to warrant such authorization under § 302-10.170; or

(c) Subsequent to the time of your assignment, conditions warrant authorization under § 302-10.172 of a replacement POV.

§ 302-10.102 How many POV's may I transport to a post of duty?

One. This does not, however, limit the transportation of a replacement POV when authorized under § 302-10.172.

§ 302-10.103 Do I have to ship my POV to my actual post of duty?

Yes. You may not transport the POV to an alternate location.

§ 302-10.104 What may I do if there is no port or terminal at the point of origin and/or destination?

Your agency will pay the entire cost of transporting the POV from your point of origin to your destination. If you prefer, however, you may choose to drive your POV from your point of origin at time of assignment to the nearest embarkation port or terminal, and/or from the debarkation port or terminal nearest your destination to your post of duty at any time. If you choose to drive, you will be reimbursed your one-way mileage cost, at the rate specified in part 301-4 of this subtitle, for

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driving the POV from your authorized origin to deliver it to the port of embarkation, or from the port of debarkation to the authorized destination. For the segment of travel from the port of embarkation back to your authorized origin after delivering the POV to the port, or from your authorized destination to the port of debarkation to pick-up the POV, you will be reimbursed your one-way transportation cost. The total cost of round-trip travel, to deliver the POV to the port at the origin or to pickup the POV at the port at your destination, may not exceed the cost of transporting the POV to or from the port involved. You may not be reimbursed a per diem allowance for round-trip travel to and from the port involved.

POV TRANSPORTATION AT TIME OF ASSIGNMENT

§302-10.140 Under what specific conditions may my agency authorize transportation of a POV to my post of duty upon my assignment to that post of duty?

Your agency may authorize transportation when:

- (a) It has determined in accordance with §302-10.503 of this part that it is in the interest of the Government for you to have use of your POV at the post of duty;
- (b) You have signed a service agreement; and
- (c) You meet any specific conditions your agency has established.

§302-10.141 What is the “authorized point of origin” when I transport a POV to my post of duty?

Your “authorized point of origin” is as follows:

If you are a—	Your “authorized point of origin” is—
(a) A transferee	Your old official station.
(b) A new appointee or student trainee	Your place of actual residence.

§302-10.142 What will I be reimbursed if I transport a POV from a point of origin that is different from the authorized point of origin?

You will be reimbursed the transportation costs you incur, not to exceed the cost of transporting your POV from

your authorized point of origin to your post of duty.

§302-10.143 When I am authorized to transport a POV, may I have the manufacturer or the manufacturer’s agent transport a new POV from the factory or other shipping point directly to my post of duty?

Yes, provided:

- (a) You purchased the POV new from the manufacturer or manufacturer’s agent;
- (b) The POV is transported FOB-shipping point, consigned to you and/or a member of your immediate family, or your agent; and
- (c) Ownership of the POV is not vested in the manufacturer or the manufacturer’s agent during transportation. In this circumstance, you will be reimbursed for the POV transportation costs, not to exceed the cost of transporting the POV from your authorized point of origin to your post of duty.

POV TRANSPORTATION SUBSEQUENT TO THE TIME OF ASSIGNMENT

§302-10.170 Under what specific conditions may my agency authorize transportation of a POV to my post of duty subsequent to the time of my assignment to that post of duty?

Your agency may authorize transportation when:

- (a) You do not have a POV at your post of duty;
- (b) You have not previously been authorized to transport a POV to that post of duty;
- (c) You have not previously transported a POV outside CONUS during your assignment to that post of duty;
- (d) Your agency has determined in accordance with §302-10.503 that it is in the interest of the Government for you to have use of your POV at the post of duty;
- (e) You signed a service agreement at the time you were transferred in the interest of the Government, or assigned if you were a new appointee or student trainee, to your post of duty; and
- (f) You meet any specific conditions your agency has established.

§ 302-10.171 If circumstances warrant an authorization to transport a POV to my post of duty after my assignment to the post of duty, must I sign a new service agreement?

No, provided you signed a service agreement at the time of your assignment to the post of duty. Violation of that service agreement, however, will result in your personal liability for the cost of transporting the POV.

§ 302-10.172 Under what conditions may my agency authorize transportation of a replacement POV to my post of duty?

Your agency may authorize a replacement POV when:

(a) You require an emergency replacement POV and you meet the following conditions:

(1) You had a POV which was transported to your post of duty at Government expense; and

(2) You require a replacement POV for reasons beyond your control and acceptable to your agency, such as when the POV is stolen, or seriously damaged or destroyed, or has deteriorated due to conditions at the post of duty; and

(3) Your agency determines in advance of authorization that a replacement POV is necessary and in the interest of the Government; or

(b) You require a non-emergency replacement POV and you meet the following conditions:

(1) You have a POV which was transported to a post of duty at Government expense;

(2) You have been stationed continuously during a 4-year period at one or more posts of duty; and

(3) Your agency has determined that it is in the Government's interest for you to continue to have a POV at your post of duty.

§ 302-10.173 How many replacement POV's may my agency authorize me to transport to my post of duty at Government expense?

Your agency may authorize one emergency replacement POV within any 4-year period of continuous service. It may authorize one non-emergency replacement POV after every four years of continuous service begin-

ning on the date you first have use of the POV being replaced.

§ 302-10.174 What is the "authorized point of origin" when I transport a POV, including a replacement POV, to my post of duty subsequent to the time of my assignment to that post of duty?

Your agency determines the authorized point of origin within the United States.

§ 302-10.175 When I am authorized to transport a POV, including a replacement POV, to my post of duty subsequent to the time of my assignment to that post of duty, may I have the manufacturer or the manufacturer's agent transport a new POV from the factory or other shipping point directly to my post of duty?

Yes, under the same conditions specified in § 302-10.143 of this subpart.

Subpart C—Return Transportation of a POV From a Post of Duty

NOTE TO SUBPART C: Use of the pronouns "I" and "you" throughout this subpart refers to the employee.

§ 302-10.200 When am I eligible for return transportation of a POV from my post of duty?

You are eligible for return transportation when:

(a) You were transferred to a post of duty in the interest of the Government; and

(b) You transported a POV under this part to the post of duty.

§ 302-10.201 In what situations will my agency pay to transport a POV transported from my post of duty?

Your agency will pay when:

(a) You are transferred back to the official station (including post of duty) from which you transferred to your current post of duty;

(b) You are transferred to a new official station within CONUS;

(c) You are transferred to a new post of duty, where your agency determines that use of a POV at that location is not in the interest of the Government;

(d) You separate from Government service after completion of an agreed period of service at the post of duty to

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which the POV was transported under this part;

(e) You separate from Government service prior to completion of an agreed period of service at the post of duty to which the POV was transported under this part, and the separation is for reasons beyond your control and acceptable to your agency; or

(f) Conditions change at your post of duty such that use of the POV no longer is in the interest of the Government.

§ 302-10.202 When do I become entitled to return transportation of my POV from my post of duty to an authorized destination?

You become entitled when:

- (a) You transported a POV to your post of duty at Government expense;
- (b) You have the POV at that post of duty; and
- (c) You have completed your service agreement.

§ 302-10.203 Is there any circumstance under which I may be authorized to transport my POV from a post of duty before completing my service agreement?

Yes. If conditions change at your post of duty such that use of your POV no longer is in the interest of the Government, or if you separate from Government service prior to completion of your service agreement for reasons beyond your control and acceptable to your agency, your agency may authorize return transportation to your authorized destination. When the return transportation is based on changed conditions, you still are required to complete your service agreement. If you do not, you will be required to repay the transportation costs.

§ 302-10.204 What is the “authorized point of origin” when I transport my POV from my post of duty?

The last post of duty to which you were authorized to transport your POV at Government expense.

§ 302-10.205 What is the “authorized destination” of a POV transported under this subpart?

The “authorized destination” is as follows:

If—	The authorized destination of the POV you transport at Government expense is—
(a) You are transferred to an official station within CONUS,	Your official station.
(b)(1) You are transferred to another post of duty and use of a POV at the new post is not in the interest of the Government;	Your place of actual residence.
(2) You separate from Government service and are eligible for transportation of your POV from your post of duty; or	Your place of actual residence.
(3) Conditions change at your post of duty such that use of your POV no longer is in the interest of the Government at that post of duty,	Your place of actual residence.

§ 302-10.206 What should I do if there is no port or terminal at my authorized point of origin or authorized destination when I transport a POV from my post of duty?

Your agency will pay the entire cost of transporting the POV from your authorized origin to your authorized destination. If you prefer, however, you may choose to drive your POV to the port of embarkation and/or from the port of debarkation. If you choose to drive, you will be reimbursed in the same manner as an employee covered under § 302-10.104.

§ 302-10.207 What will I be reimbursed if I transport my POV from a point of origin or to a destination that is different from my authorized origin or destination?

You will be reimbursed the transportation costs you actually incur, not to exceed what it would have cost to transport your POV from your authorized origin to the authorized destination.

§ 302-10.208 If I retain my POV at my post of duty after conditions change to make use of the POV no longer in the interest of the Government, may I transport it at Government expense from the post of duty at a later date?

Yes, your agency will pay the transportation costs not to exceed the cost of transporting it to the authorized destination, provided you otherwise meet all conditions for transportation of a POV.

§ 302-10.209 Under what conditions may my agency authorize me to transport from my post of duty a replacement POV purchased at that post of duty?

Your agency may authorize transportation only if:

- (a) At the time you purchased the replacement POV, you met the conditions in § 302-10.172 of this part; and
- (b) Prior to purchase of the replacement POV, your agency authorized you to purchase a replacement POV at the post of duty.

Subpart D—Transportation of a POV Wholly Within the Continental United States (CONUS)

NOTE TO SUBPART D: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-10.300 When am I eligible for transportation of my POV wholly within CONUS at Government expense?

When you are an employee who transfers within CONUS in the interest of the Government, or you are a new appointee or student trainee relocating to your first official station within CONUS.

§ 302-10.301 Under what conditions may my agency authorize transportation of my POV wholly within CONUS?

Your agency will authorize transportation only when:

- (a) It has determined that use of your POV to transport you and/or your immediate family from your old official station (or place of actual residence, if you are a new appointee or student trainee) to your new official station would be advantageous to the Government;
- (b) Both your old official station (or place of actual residence, if you are a new appointee or student trainee) and your new official station are located within CONUS; and
- (c) Your agency further determines that it would be more advantageous and cost effective to the Government to transport your POV to the new official station at Government expense and to pay for transportation of you and/or your immediate family by com-

mercial means than to have you or an immediate family member drive the POV to the new official station.

§ 302-10.302 How many POV's may I transport wholly within CONUS?

You may transport any number of POV's under this subpart, provided your agency determines such transportation is advantageous and cost effective to the Government.

§ 302-10.303 If I am authorized to transport my POV wholly within CONUS, where must the transportation originate?

The POV transportation must originate as follows:

If you are—	Your transportation must originate at—
(a) A transferee,	Your old official station.
(b) A new appointee or student trainee,	Your place of actual residence.

§ 302-10.304 If I am authorized to transport my POV wholly within CONUS, what must the destination be?

Your new official station.

Subpart E—Emergency Storage of a POV

NOTE TO SUBPART E: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-10.400 When am I eligible for emergency storage of my POV?

You are eligible when:

- (a) Your POV was transported to your post of duty at Government expense; and
- (b) The head of your agency determines that your post of duty is within a zone from which your immediate family and/or household goods should be evacuated.

§ 302-10.401 Where may I store my POV if I receive notice to evacuate my immediate family and/or household goods from my post of duty?

You may store your POV at a place determined to be reasonable by your agency whether the POV is already located at, or being transported to, your post of duty.

Subpart F—Agency Responsibilities

NOTE TO SUBPART F: Use of the pronouns “we” and “you” throughout this subpart refers to the agency.

§ 302-10.500 What means of transportation may we authorize for POV's?

- (a) Commercial means if available at reasonable rates and under reasonable conditions; or
- (b) Government means on a space-available basis.

§ 302-10.501 How should we administer the allowances for transportation and emergency storage of a POV?

To minimize costs and to promote an efficient workforce by providing an employee use of his/her POV when it mutually benefits the Government and the employee.

§ 302-10.502 What governing policies must we establish for the allowances for transportation and emergency storage of a POV?

You must establish policies governing:

- (a) When you will authorize transportation and emergency storage of a POV;
- (b) When you will authorize transportation of a replacement POV;
- (c) Who will determine if transportation of a POV to or from a post of duty is in the interest of the Government;
- (d) Who will determine if conditions have changed at an employee's post of duty to warrant transportation of a POV in the interest of the Government;
- (e) Who will determine if transportation of a POV wholly within CONUS is more advantageous and cost effective than having the employee drive the POV to the new official station; and
- (f) Who will determine whether to allow emergency storage of an employee's POV, including where to store the POV.

§ 302-10.503 Under what condition may we authorize transportation of a POV to a post of duty?

You may authorize transportation only when you determine, after consid-

eration of the factors in § 302-10.504, that it is in the interest of the Government for the employee to have use of a POV at the post of duty.

§ 302-10.504 What factors must we consider in deciding whether to authorize transportation of a POV to a post of duty?

You must consider:

- (a) Whether local conditions at the employee's post of duty warrant use of a POV;
- (b) Whether use of the POV will contribute to the employee's effectiveness on the job;
- (c) Whether use of a POV of the type involved will be suitable under local conditions at the post of duty;
- (d) Whether the cost of transporting the POV to and from the post of duty will be excessive, considering the time the employee has agreed to serve at the post of duty.

§ 302-10.505 What must we consider in determining whether transportation of a POV wholly within CONUS is cost effective?

- (a) Cost of travel by POV.
- (b) Cost of transporting the POV.
- (c) Cost of travel if the POV is transported.
- (d) Productivity benefit you derive from the employee's accelerated arrival at the new official station.

PART 302-11—RELOCATION INCOME TAX (RIT) ALLOWANCE

Sec.

- 302-11.1 Authority.
- 302-11.2 Coverage.
- 302-11.3 Types of moving expenses or allowances covered and general limitations.
- 302-11.4 Exclusions from coverage.
- 302-11.5 Definitions and discussion of terms.
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- 302-11.8 Rules and procedures for determining the RIT allowance in Year 2.
- 302-11.9 Responsibilities.
- 302-11.10 Claims for payment and supporting documentation and verification.
- 302-11.11 Violation of service agreement.
- 302-11.12 Advance of funds.
- 302-11.13 Source references.

APPENDIX A TO PART 302-11—FEDERAL TAX TABLES FOR RIT ALLOWANCE

APPENDIX B TO PART 302-11—STATE TAX TABLES FOR RIT ALLOWANCE

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APPENDIX C TO PART 302-11—FEDERAL TAX TABLES FOR RIT ALLOWANCE—YEAR 2
APPENDIX D TO PART 302-11—PUERTO RICO TAX TABLES FOR RIT ALLOWANCE

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: 54 FR 20332, May 10, 1989, unless otherwise noted.

§ 302-11.1 Authority.

Payment of a relocation income tax (RIT) allowance is authorized to reimburse eligible transferred employees for substantially all of the additional Federal, State, and local income taxes incurred by the employee, or by the employee and spouse if a joint tax return is filed, as a result of certain travel and transportation expenses and relocation allowances which are furnished in kind, or for which reimbursement or an allowance is provided by the Government. Payment of the RIT allowance also is authorized for income taxes paid to the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the U.S. possessions in accordance with a decision of the Comptroller General of the United States (67 Comp. Gen. 135 (1987)). The RIT allowance shall be calculated and paid as provided in this part.

[FTR Amdt. 30, 58 FR 15437, Mar. 23, 1993]

§ 302-11.2 Coverage.

(a) *Eligible employees.* Payment of a RIT allowance is authorized for employees transferred on or after November 14, 1983, in the interest of the Government from one official station to another for permanent duty. The effective date of an employee's transfer is the date the employee reports for duty at the new official station as provided in § 302-1.4(l).

(b) *Individuals not covered.* The provisions of this part are not applicable to the following individuals or employees:

- (1) New appointees;
- (2) Employees assigned under the Government Employees Training Act (see 5 U.S.C. 4109); or

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(3) Employees returning from overseas assignments for the purpose of separation.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23658, May 23, 1991; FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-11.3 Types of moving expenses or allowances covered and general limitations.

The RIT allowance is limited by law as to the types of moving expenses that can be covered. The law authorizes reimbursement of additional income taxes resulting from certain moving expenses furnished in kind or for which reimbursement or an allowance is provided to the transferred employee by the Government. However, such moving expenses are covered by the RIT allowance only to the extent that they are actually paid or incurred, and are not allowable as a moving expense deduction for tax purposes. The types of expenses or allowances listed in paragraphs (a) through (i) of this section, are covered by the RIT allowance within the limitations discussed.

(a) *En route travel.* Travel (including per diem) and transportation expenses of the transferred employee and immediate family for en route travel from the old official station to the new official station. (See part 302-2.)

(b) *Household goods shipment.* Transportation (including temporary storage) expenses for movement of household goods from the old official station to the new official station. (See part 302-8.)

(c) *Nontemporary storage expenses.* Allowable expenses for nontemporary storage of household goods belonging to an employee transferred on or after November 14, 1983, through October 11, 1984, to an isolated location in the continental United States. (See § 302-9.1.) Nontemporary storage expenses are not covered by the RIT allowance for transfers on or after October 12, 1984. (See § 302-11.4(c).)

(d) *Mobile home movement.* Expenses for the movement of a mobile home for use as a residence when movement is authorized instead of shipment and temporary storage of household goods. (See part 302-7.)

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(e) *Househunting trip.* Travel (including per diem) and transportation expenses of the employee and spouse for one round trip to the new official station to seek permanent residence quarters. (See part 302-4.)

(f) *Temporary quarters.* Subsistence expenses of the employee and immediate family during occupancy of temporary quarters. (See part 302-5.)

(g) *Real estate expenses.* Allowable expenses for the sale of the residence (or expenses of settlement of an unexpired lease) at the old official station and for purchase of a home at the new official station for which reimbursement is received by the employee. (See part 302-6.)

(h) *Miscellaneous expense allowance.* A miscellaneous expense allowance for the purpose of defraying certain expenses associated with discontinuing a residence at one location and establishing a residence at the new location in connection with an authorized or approved permanent change of station. (See part 302-3.)

(i) *Relocation services.* Payments, or portions thereof, made to a relocation service company for services provided to a transferred employee (see part 302-12), subject to the conditions stated in this paragraph and within the general limitations of this section applicable to other covered expenses.

(1) *For employees transferred on or after November 14, 1983, through October 11, 1984.* The amount of a broker's fee or real estate commission, or other real estate sales transaction expenses which normally are reimbursable to the employee under § 302-6.2 but have been paid by a relocation service company incident to an assigned sale from the employee, provided that such payments constitute income to the employee. For the purposes of this regulation, an assigned sale occurs when an employee obtains a binding agreement for the sale of his/her residence and assigns the inherent rights and obligations of that agreement to a relocation company that is providing services under contract with the employing agency. For example, if the employee incurs an obligation to pay a specified broker's fee or real estate commission under the terms of the sales agreement, this obligation along with the sales agreement

is assigned to the relocation company and may, upon payment of the obligation by the relocation company, constitute income to the employee. (See § 302-12.7 entitled "Income tax consequences of using relocation companies.")

(2) *For employees transferred on or after October 12, 1984.* Expenses paid by a relocation company providing relocation services to the transferred employee pursuant to a contract with the employing agency to the extent such payments constitute income to the employee. (See § 302-12.7.)

NOTE: See reference shown in parentheses for reimbursement provisions for each allowance listed in paragraphs (a) through (i) of this section. See section 217 of the Internal Revenue Code (IRC) and Internal Revenue Service (IRS) Publication 521 entitled "Moving Expenses" and appropriate State and local tax authority publications for additional information on the taxability of moving expense reimbursements and the allowable tax deductions for moving expenses.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-11.4 Exclusions from coverage.

The provisions of this part are not applicable to the following:

(a) Any tax liability that may result from payments by the Government to relocation companies on behalf of employees transferred on or after November 14, 1983, through October 11, 1984, other than the payments for those expenses specified in § 302-11.3(i)(1).

(b) Any tax liability incurred for local income taxes other than city income tax as a result of moving expense reimbursements for employees transferred on or after November 14, 1983, through October 11, 1984. (See definition in § 302-11.5(b).)

(c) Any tax liability resulting from reimbursed expenses for any non-temporary storage of household goods except as specifically provided for in § 302-11.3(c).

(d) Any tax liability resulting from paid or reimbursed expenses for shipment of a privately owned automobile.

(e) Any tax liability resulting from an excess of reimbursed amounts over the actual expense paid or incurred. For instance, if an employee's reimbursement for the movement of household goods is based on the commuted

rate schedule and his/her actual moving expenses are less than the reimbursement, the tax liability resulting from the difference is not covered by the RIT allowance. (See §302-11.8(c)(2)(i).)

(f) Any tax liability resulting from an employee's decision not to deduct moving expenses for which a tax deduction is allowable under the Internal Revenue Code or appropriate State and local tax codes. (See §§302-11.8(b)(1) and 302-11.8(c)(2).)

(g) Any tax liability resulting from the payment of recruitment, retention, or relocation bonuses authorized by the Office of Personnel Management pursuant to 5 U.S.C. 5753 and 5754, or any other provisions which allow relocation payments that are not reimbursements for travel, transportation, and other expenses incurred in relocation.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 17, 56 FR 23658, May 23, 1991; FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§302-11.5 Definitions and discussion of terms.

For purposes of this part, the following definitions will apply:

(a) *State income tax.* A tax, imposed by a State tax authority, that is deductible for Federal income tax purposes as a State income tax under section 164(a)(3) of the IRC. "State" means any one of the several States of the United States and the District of Columbia.

(b) *Local income tax.* A tax, imposed by a recognized city or county tax authority, that is deductible for Federal income tax purposes as a local (city or county) income tax under section 164(a)(3) of the IRC; except, that for employees transferred on or after November 14, 1983, through October 11, 1984, local income tax shall be construed to mean only city income tax. For purposes of this regulation:

(1) *City* means any unit of general local government which is classified as a municipality by the Bureau of the Census, or which is a town or township that in the determination of the Secretary of the Treasury possesses powers and performs functions comparable to those associated with municipalities, is closely settled, and contains within its boundaries no incorporated

places as defined by the Bureau of the Census (31 CFR 215.2(b)(1)).

(2) *County* means any unit of local general government which is classified as a county by the Bureau of the Census (31 CFR 215.2(e)).

(c) *Covered moving expense reimbursements or covered reimbursements.* As used herein, these terms include those moving expenses listed in §302-11.3 as being covered by the RIT allowance and which may be furnished in kind, or for which reimbursement or an allowance is provided by the Government.

(d) *Covered taxable reimbursements.* Covered moving expense reimbursements minus the tax deductions allowable under the IRC and IRS regulations for moving expenses. (See determination in §302-11.8(c).)

(e) *Year 1 or reimbursement year.* The calendar year in which reimbursement or payment for moving expenses is made to, or for, the employee under the provisions of this part. All or part of these reimbursements (see §302-11.6) are reported to the IRS as income (wages, salary, or other compensation) to the employee for that tax year under the provisions of the IRC and IRS regulations, and are subject to Federal tax withholding. The withholding tax allowance (WTA) (see paragraph (f)(1) of this section) is calculated in Year 1, to cover the employee's Federal tax withholding obligations each time covered moving expense reimbursements are made that result in a Federal tax withholding obligation. For purposes of this part, an advance of funds for any of the covered moving expenses is not considered to be a reimbursement or a payment until the travel voucher settlement for such expenses takes place. If an employee's reimbursement for moving expenses is spread over more than one year, he/she will have more than one Year 1.

(f) *Year 2.* The calendar year in which a claim for the RIT allowance is paid.

(1) Generally, Year 2 will be the calendar year immediately following Year 1 and in which the employee files a tax return reflecting his/her tax liability for income received in Year 1. However, there may be instances where the employee's claims submission and/or payment of the RIT allowance is delayed beyond the calendar year immediately

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following Year 1. (Year 1 will always be the calendar year that reimbursements are received; see paragraph (e) of this section.) Year 2 will be the calendar year in which the RIT allowance is actually paid.

(2) The RIT allowance is calculated in Year 2 and paid to cover the additional tax liability (resulting from moving expense reimbursements received in Year 1) not covered by the WTA paid in Year 1. If an employee's covered taxable reimbursements are spread over more than one year, he/she will have more than one Year 2.

(g) *Federal withholding tax rate (FWTR)*. The tax rate applied to incremental income to determine the amount to be withheld for Federal income tax from salary or other compensation such as moving expense reimbursements. Because moving expense reimbursements constitute supplemental wages for Federal income tax purposes, the 20 percent flat rate of withholding is generally applicable to such reimbursements. (See § 302-11.7(c).) Agencies should refer to the Treasury Financial Manual, TFM 3-5000, and applicable IRS regulations for complete and up-to-date information on this subject.

(h) *Earned income*. For purposes of the RIT allowance, "earned income" shall include only the gross compensation (salary, wages, or other compensation such as reimbursement for moving expenses and the related WTA (see paragraph (n) of this section) and any RIT allowance (see paragraph (m) of this section) paid for moving expense reimbursement in a prior year) that is reported as income on IRS Form W-2 for the employee (employee and spouse, if filing jointly), and if applicable, the net earnings (or loss) for self-employment income shown on Schedule SE of the IRS Form 1040. Earned income may be from more than one source. (See § 302-11.8(d).)

(i) *Marginal tax rate (MTR)*. The tax rate (for example, 33 percent) applicable to a specific increment of income. The Federal, Puerto Rico, and State marginal tax rates to be used in calculating the RIT allowance are provided in appendices A through D of this part. (See § 302-11.8(e)(3) of this part for

instructions on local marginal tax rate determinations.)

(j) *Combined marginal tax rate (CMTR)*. A single rate determined by combining the applicable marginal tax rates for Federal (or Puerto Rico, when applicable), State, and local income taxes, using formulas provided in § 302-11.8(e)(5).

(k) *Gross-up*. Payment for the estimated additional income tax liability incurred by an employee as a result of reimbursements or payments by the Government for the covered moving expenses listed in § 302-11.3.

(l) *Gross-up formulas*. The formulas used to determine the amount of the gross-up for the WTA and the RIT allowance. The gross-up formulas used herein compensate the employee for the initial tax, the tax on tax, etc. Note that the WTA gross-up formula in § 302-11.7(d) is different than the RIT gross-up formula prescribed in § 302-11.8(f).

(m) *RIT allowance*. The amount of payment computed and paid in Year 2 to cover substantially all of the estimated additional tax liability incurred as a result of the covered moving expense reimbursements received in Year 1.

(n) *Withholding tax allowance (WTA)*. The withholding tax allowance (WTA), paid in Year 1, covers the employee's Federal income tax withholding liability on covered taxable reimbursements received in Year 1. The amount is computed by applying the withholding gross-up formula prescribed in § 302-11.7(d) (using the Federal withholding tax rate) each time that a Federal withholding obligation is incurred on covered moving expense reimbursements received in Year 1. Grossing-up the Federal withholding amount protects the employee from using part of his/her moving expense reimbursement to pay Federal withholding taxes. (See § 302-11.7.)

(o) *State gross-up*. Payment for the estimated additional State income tax liability incurred by an employee as a result of reimbursements or payments by the Government for the covered moving expenses listed in § 302-11.3 that are deductible for Federal income tax but not for State income tax purposes.

(p) *State gross-up formula.* The formula prescribed in §302-11.8(f)(3) to be used in determining the amount to be included in the RIT allowance to compensate an employee for the additional State income tax incurred in States that do not allow the deduction of moving expenses.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 14, 56 FR 9290, Mar. 6, 1991; FTR Amdt. 26, 57 FR 28636, June 26, 1992; FTR Amdt. 30, 58 FR 15437, Mar. 23, 1993; FTR Amdt. 32, 58 FR 58244, Oct. 29, 1993]

§302-11.6 Procedures in general.

(a) This regulation sets forth procedures for the computation and payment of the RIT allowance and defines agency and employee responsibilities. This part does not require changes to those internal fiscal procedures established by the individual agencies pursuant to IRS regulations, or the Treasury Financial Manual, provided that the intent of the statute authorizing the RIT allowance and this part are not disturbed.

(b) The total amount reimbursed or paid to the employee, or on his/her behalf, for travel, transportation, and other relocation expenses and allowances is includable in the employee's gross income pursuant to the IRC and certain State or local government tax codes. Some moving expenses for which reimbursements are received may be deducted from income by the employee as moving expense deductions, subject to certain limitations prescribed by the IRS or pertinent State or local tax authorities. Reimbursements for non-deductible moving expenses are subject to income tax. (See IRS Publication 521 entitled "Moving Expenses" and the appropriate State and local tax codes for detailed information.)

(c) Usually, if the employee is reimbursed for nondeductible moving expenses, the amount of these reimbursements is subject to withholding of Federal income tax in accordance with IRS regulations at the time of reimbursement. Under existing fiscal procedures, the amount of the employee's withholding obligation is usually deducted either from reimbursements for the moving expenses at the time of reimbursement or from the employee's salary. (See Treasury Financial Manual.)

(d) Payment of a WTA established herein will offset deductions for the Federal income tax withholding on moving expense reimbursements, and on the WTA itself, from the employee's moving expense reimbursements or from salary.

(e) The total amount of the RIT allowance can be computed after the end of Year 1 as soon as the earned income level, income tax filing status, total covered taxable reimbursements, and the applicable marginal tax rates can be determined. Employee claims for the RIT allowance should be submitted in accordance with this part and the employing agency's procedures.

(f) Procedures are prescribed in §§302-11.7 and 302-11.8 for computation and payment of the WTA and the RIT allowance. These procedures are built on existing fiscal procedures and IRS regulations regarding reporting of employee income from reimbursements and withholding of taxes on supplemental wages.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§302-11.7 Procedures for determining the WTA in Year 1.

(a) *General rules.* The WTA is designed to cover only the employee's withholding tax obligation for Federal income taxes on income resulting from covered moving expense reimbursements. (See definition in §302-11.5(c).) Other withholding tax obligations, if any, such as for social security taxes or for State and/or local income taxes on income resulting from moving expense reimbursements shall not be included in the calculation of the WTA payment. The amount of the WTA is equal to the Federal income tax withholding obligation incurred by the employee on covered moving expense reimbursements (which are not offset by deductible moving expenses) and on the WTA itself. Each time covered moving expense reimbursements are paid to or on behalf of the employee, the WTA shall be calculated, accounted for, and reported as provided in paragraphs (b) through (g) of this section.

(b) *Determination of amount of reimbursement subject to withholding.* Under IRS regulations, income resulting from reimbursements for nondeductible

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moving expenses is subject to withholding of Federal income taxes. (See IRS Publication 521, "Moving Expenses.") There are some moving expenses which may be reimbursed but are not covered taxable reimbursements (see definition in §302-11.5(d)) for purposes of the WTA and RIT allowance calculations, such as non-temporary storage of household goods. (See exclusions in §302-11.4.) Therefore, the actual amount of the covered taxable reimbursements may be different than the amount of nondeductible moving expenses subject to Federal income tax withholding. The difference in these amounts should not be substantial; therefore, the amount of nondeductible moving expenses subject to Federal income tax withholding, as determined by the agency pursuant to IRS regulations, may be used in calculating the WTA. (Note that the RIT calculation procedure in §302-11.8 requires determination of covered taxable reimbursements.)

(c) *Determination of Federal withholding tax rate (FWTR).* Moving expense reimbursements constitute supplemental wages for Federal income tax purposes. Therefore, an agency must withhold at the withholding rate applicable to supplemental wages. Currently, the supplemental wages withholding rate is 28 percent. The supplemental wages withholding rate should be used in calculating the WTA unless under an agency's withholding procedures a different withholding rate is used pursuant to IRS tax regulations. In such cases, the applicable withholding rate shall be substituted for the supplemental wages withholding rate in the calculation shown in paragraph (d) of this section.

(d) *Calculation of the WTA.* The WTA is calculated by substituting the amounts determined in paragraphs (b) and (c) of this section into the following WTA gross-up formula:

Formula:

$$Y = \frac{X}{1-X}(N)$$

Where:

Y = WTA

X = FWTR (generally, 28 percent)

N = nondeductible moving expenses/covered taxable reimbursements

Example:

If:

X = 28 percent

N = \$20,000

Then:

$$Y = \frac{.28}{1-.28}(\$20,000)$$

Y = .3889(\$20,000)

Y = \$7778.00

(e) *WTA payment and employee agreement for repayment.* (1) The WTA may be calculated several times within Year 1 if reimbursements for moving expenses are made on more than one travel voucher. Each time an employee is reimbursed for moving expenses which are subject to Federal tax withholding in accordance with the IRS regulations, the WTA will be calculated and paid unless the employee fails to comply with the requirements in paragraph (e)(2) of this section.

(2) The employee shall be required to agree in writing to repay any excess amount paid to him/her in Year 1 (see §§302-11.8(f)(5) and 302-11.9(b)(3)), and submit the required certified tax information and claim for his/her RIT allowance within a reasonable length of time (as determined by the agency) after the close of Year 1. Failure of the employee to comply with this requirement will preclude the agency's payment of the WTA. The entire WTA will be considered an excess payment if the RIT allowance claim is not submitted in a timely manner to settle the RIT allowance account.

(f) *Determination of employee's withholding tax on WTA.* Since the amount of the WTA is considered income to the employee, it is subject to the same tax withholding requirements as all other moving expense reimbursements. (See Treasury Financial Manual, Section 4080, Moving Expense Reimbursements, for withholding requirements.)

(g) *End of year reporting.* At the end of the year, agencies generally are required to issue IRS Form(s) W-2 for each employee showing total gross compensation (including moving expense reimbursements) and the applicable amount of Federal taxes withheld. For tax reporting purposes, the WTA is to be treated as a moving expense reimbursement. The total

amount of the employee's WTA's paid during the year as well as the amount of moving expense reimbursements should be included as income on the employee's Form W-2. The Federal tax withholding amount applicable to the moving expense reimbursements and the WTA should also be included on the employee's Form W-2. The amount of the WTA's also will be furnished to the employee along with the amount of moving expense reimbursements on IRS Form 4782 or another itemized listing provided for the employee's use in preparing his/her tax return (see IRS regulations for further guidance) and in claiming the RIT allowance as provided in §302-11.8.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 14, 56 FR 9290, Mar. 6, 1991; FTR Amdt. 58, 62 FR 10709, Mar. 10, 1997]

§302-11.8 Rules and procedures for determining the RIT allowance in Year 2.

(a) *Summary/overview of procedures.* The RIT allowance will be calculated and claimed in Year 2. This can be accomplished as soon as the employee can determine earned income (as defined herein), income tax filing status, covered taxable reimbursements for Year 1, and the applicable marginal tax rates. The RIT allowance is then calculated using the gross-up formula under procedures prescribed herein. Since the RIT allowance is considered income, appropriate withholding taxes on the RIT allowance are deducted and the balance constitutes the net payment to the employee. Rules, procedures, and the prescribed tax tables for these calculations are provided in paragraphs (b) through (g) of this section, and in appendices A, B, and C of this part.

(b) *General rules and assumptions.* (1) The procedures prescribed herein for calculations and payment of the RIT allowance are based on certain assumptions jointly developed by GSA and IRS, and tax tables developed by IRS. This approach avoids a potentially controversial and administratively burdensome procedure requiring the employee to furnish extensive documentation, such as certified copies of actual tax returns and reconstructed returns, in support of a claim for a RIT allow-

ance payment. Specifically, the following assumptions have been made:

(i) The employee will claim allowable moving expense deductions for the same tax year in which the corresponding moving expense reimbursements are included in income;

(ii) Changes to the IRC, applicable to the 1987 and subsequent tax years, require that allowable moving expense deductions must be taken as an itemized deduction from gross income rather than as an adjustment to gross income as in previous tax years. It is assumed that employees will receive the benefit of allowable moving expense deductions to offset income either by itemizing their moving expense deductions or through the increased standard deductions.

(iii) Prior to the Tax Reform Act of 1986, it was assumed that the employee's (and spouse's, if a joint return is filed) earned income, filing status, and CMTR determined for Year 1 (and used in determining the RIT allowance in Year 2) would remain the same or would not be substantially different in the second and subsequent tax years. However, the Tax Reform Act of 1986 substantially changed the Federal tax structure making it necessary to compute a separate CMTR for Year 1 and for Year 2. (See paragraph (e) of this section.) The formula for calculating the RIT allowance to be paid in 1988 and subsequent years is shown in paragraph (f) of this section. It is assumed that within the accuracy of the calculation, the State and local tax rates for Year 1 and Year 2 will remain the same or will not be substantially different. Therefore, the State and local tax rates for Year 1 shall be used in calculating the CMTR for Year 2.

(2) The prescribed procedures, which yield an estimate of an employee's additional tax liability due to moving expense reimbursements, are to be used uniformly. They are not to be adjusted to accommodate an employee's unique circumstance which may differ from the assumed circumstances stated in paragraph (b)(1) of this section.

(3) An adjustment of the RIT allowance paid in Year 2 for the covered taxable reimbursements received in Year 1 is required if the tax information certified to on the RIT allowance claim is

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different than that shown on the actual Federal tax return filed with IRS for Year 1 or changed for any reason after filing of the tax return, so as to affect the CMTR's used in the RIT allowance calculation. (See §302-11.10 for claims procedures.)

(c) *Determination of covered taxable reimbursements.* (1) Generally, the amount of the covered taxable reimbursements is the difference between (i) the amount of covered moving expense reimbursements for the allowances listed in §302-11.3 that was included in the employee's income in Year 1, and (ii) the maximum amount of allowable moving expenses that may be claimed as a moving expense deduction by the employee on his/her Federal tax return under IRS tax regulations to offset the income resulting from moving expense reimbursements for Year 1. The covered taxable reimbursements will be determined as if the employee had itemized and deducted all allowable moving expense deductions. (See assumption made in paragraph (b)(1)(ii) of this section.) If the employee is precluded from claiming moving expense deductions because he/she does not meet IRS requirements for the distance test, then the amount of covered taxable reimbursements is the same as the amount of covered moving expense reimbursements. (See §302-11.5(d).)

(2) For purposes of calculating the RIT allowance, the following special rules apply to the determination of moving expense deductions to offset moving expense reimbursements reported as income:

(i) The total amount of reimbursement (which was reported as income) for the expenses of en route travel for the employee and family (see §302-11.3(a)) and transportation (including up to 30 days temporary storage) of household goods (see §302-11.3(b)) to the new official station shall be used as a moving expense deduction. (See also §302-11.4 (e) and (f).)

(ii) The total amount of reimbursement for a househunting trip, temporary quarters (up to 30 days at new station) and real estate transaction expenses (see §302-11.3 (e), (f), (g), and (i)), up to the maximum allowable deduction under IRS tax regulations, shall be used as a moving expense deduction.

For example, an employee and spouse filing a joint return and residing in the same household at the end of the tax year may deduct up to \$3,000 for these expenses. (No more than \$1,500 of the \$3,000 may be claimed for a househunting trip and temporary quarters expenses combined.) If the employee was reimbursed \$1,350 for a househunting trip and temporary quarters expenses and \$9,000 for real estate expenses, the moving expense deductions would be \$1,350 for the househunting trip and temporary quarters expenses and \$1,650 for real estate expenses. If the employee's reimbursement was \$1,850 for the househunting trip and temporary quarters expenses and \$9,000 for real estate expenses, the moving expense deductions would be \$1,500 for the househunting trip and temporary quarters expenses and \$1,500 for real estate expenses. If the employee had no reimbursement for a househunting trip and temporary quarters, the full \$3,000 would be applied to the \$9,000 reimbursement for real estate expenses. (See IRS Publication 521, "Moving Expenses," for these and other maximums which vary by situation and filing status.)

(3) Procedures and examples are provided herein as if all moving expense reimbursements are received in one year with all moving expense deductions applied in that same year to arrive at the covered taxable reimbursements. However, when reimbursements span more than one year, the amount of covered taxable reimbursements must be determined separately for each reimbursement year (Year 1). The maximum moving expense deductions apply to the entire move. Under IRS tax regulations, the employee has some discretion as to when he/she claims these deductions (e.g., in the year of the move when the expense was paid or in the year of reimbursement, if these actions do not occur in the same year). However, for purposes of the RIT allowance procedures, the moving expense deductions will be applied in the year that the corresponding reimbursement is made. For example, if an employee incurred and was reimbursed \$1,000 for a househunting trip and temporary quarters in 1989 and an additional \$1,000

for temporary quarters in 1990, this employee, according to his/her particular situation and tax filing status, may deduct \$1,500 of these expenses in moving expense deductions. In calculating the RIT allowance for 1989, \$1,000 of the \$1,500 deduction is used to offset the \$1,000 reimbursement in 1989 resulting in zero covered taxable reimbursements for the househunting trip and temporary quarters for 1989. The remaining \$500 (balance of the \$1,500 not used in determining covered taxable reimbursements for 1989) will be used to offset the \$1,000 temporary quarters reimbursement in 1990 (second Year 1), leaving \$500 of the temporary quarters reimbursement as a covered taxable reimbursement for 1990.

(4) Although the WTA amount is included in income (see §302-11.7), it shall not be included in the amount of covered taxable reimbursements. Under the procedures and formulas established herein, the proper amount of the RIT allowance is calculated using the RIT gross-up formula with the WTA and any prior RIT allowance payments excluded from covered taxable reimbursements.

(5) Agencies are cautioned that there may be moving expenses reimbursed to the employee that are not covered by the RIT allowance. (See exclusions in §302-11.4; also see discussion in §302-11.7 regarding covered taxable reimbursements versus nondeductible expenses.)

(d) *Determination of income level and filing status.* In order to determine the CMTR's needed to calculate the RIT allowance, the employee must determine the appropriate amount of earned income (as prescribed herein) that was or will be reported on his/her Federal tax return for the tax year in which the covered taxable reimbursements were received (Year 1). Such amount will also include the spouse's earned income if a joint filing status is claimed. For purposes of this regulation, appropriate earned income shall include only the amount of gross compensation reported on IRS Form(s) W-2, and, if applicable, the net earnings (or loss) from self-employment income as shown on Schedule SE of IRS Form 1040. (See §302-11.5(h).) (Note that moving expense reimbursements including the WTA amounts and

any RIT allowance paid for a prior Year 1 are to be included in earned income and should be shown as income on the Form W-2; if they are not, other appropriate documentation shall be furnished by the agency.) (See §302-11.7(g).) The amount of earned income as determined under this paragraph and the tax filing status (for example, from lines 1 through 5 on the 1987 IRS Form 1040) shall be contained in a certified statement on, or attached to, the voucher claiming the RIT allowance. (See §302-11.10.) If a joint filing status is claimed and the spouse's earned income is included, the spouse must sign the certified statement. If the spouse does not sign the statement, earned income will include only the employee's earned income and the RIT allowance will be calculated on that basis. This condition will not apply if an employee is allowed, under IRS rules, to file a joint return as a surviving spouse.

(e) *Determination of the CMTR's.* The gross-up formula used to calculate the RIT allowance in paragraph (f) of this section, requires the use of two CMTR's—one for Year 1 in which reimbursements were received and the other for Year 2 in which the RIT allowance is paid. CMTR's are single tax rates calculated to represent the Federal, State, and/or local income tax rates applicable to the earned income determined for Year 1. (See paragraph (d) of this section.) The CMTR's will be determined as follows:

(1) *Federal marginal tax rates.* The Federal marginal tax rates for Year 1 and Year 2 are determined by using the income level and filing status determined under paragraph (d) of this section and contained in the certified statement by the employee (or employee and spouse) on the RIT allowance claim, and applying the prescribed Federal tax tables contained in appendices A and C of this part. For example, if the income level for the 1989 tax year (Year 1) was \$84,100 for a married employee filing a Federal joint return, the Federal marginal tax rate would be 33 percent for Year 1 (1989) (see appendix A of this part) and 28 percent for Year 2 (1990) (see appendix C of this part). These rates would be used regardless of how much of the \$84,100

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was attributable to reimbursement for the employee's relocation expenses.

NOTE: These marginal rates are different from the withholding tax rate used for WTA.

If the employee incurs only Federal income tax (i.e., there are no State or local taxes), the Federal marginal tax rates determined from appendices A and C of this part are the CMTR's to be used in the RIT gross-up formula provided in §302-11.8(f). In such cases, the provisions of paragraphs (e) (2) and (3) of this section do not apply.

(2) *State marginal tax rate.* (i) If the employee incurs an additional State income tax (see definition in §302-11.5(a)) liability as a result of moving expense reimbursements, the appropriate State tax table in appendix B of this part is to be used to determine the applicable State marginal tax rate that will be substituted into the formula for determining the CMTR for both Year 1 and Year 2. The appropriate State tax table will be the one that corresponds to the tax year in which the reimbursements are paid to the employee (Year 1). The income level determined in paragraph (d) of this section for Federal taxes shall be used to identify the appropriate income bracket in the State tax table. The applicable State marginal tax rate is obtained from the selected income bracket column for the State where the employee is required to pay State income tax on moving expense reimbursements. The tax rates shown in the table apply to all employees regardless of their filing status, except where a separate rate is shown for a single filing status.

(ii) The lowest income bracket shown in the State tax tables in appendix B of this part is \$20,000-\$24,999. In cases where the employee's (employee's and spouse's, if filing jointly) earned income as determined under paragraph (d) of this section is less than this income bracket, an appropriate State marginal tax rate shall be established by the employing agency from the applicable State tax code or regulations issued pursuant thereto. Such State marginal tax rate shall be representative of the earned income level in question but in no case more than the marginal tax rate established in appendix B of this part for the \$20,000-\$24,999 in-

come bracket for the particular State in which an additional tax obligation has been incurred.

(iii) The prescribed State marginal tax rates generally are expressed as a percent of taxable income. However, if the applicable State marginal tax rate is stated as a percentage of the Federal income tax liability, the State tax rate must be converted to a percent of taxable income to be used in the CMTR formulas in paragraph (e)(5) of this section. This is accomplished by multiplying the applicable Federal tax rate for Year 1 by the applicable State tax rate. For example, if the Federal tax rate is 33 percent for Year 1 and the State tax rate is 25 percent of the Federal income tax liability, the State tax rate stated as a percent of taxable income would be 8.25 percent. The State tax rate thus determined for Year 1 will be used in determining the CMTR for both Year 1 and Year 2.

(iv) An employee may incur a State income tax liability on moving expense reimbursements in more than one State at the same or different marginal tax rates (i.e., double taxation). For example, an employee may incur taxes on moving expense reimbursements in one State because of residency in that State, and in another State because that particular State taxes income earned within its jurisdiction irrespective of whether the employee is a resident. In such cases, a single State marginal tax rate must be determined for use in the CMTR formulas in paragraph (e)(5) of this section. The general rules in paragraph (e)(2)(iv) (A) through (C) of this section apply in determining the applicable single State marginal tax rate in such cases.

(A) If two or more States impose an income tax on an employee's moving expense reimbursement, but no two States tax the same portion of the reimbursement, then the reimbursement is not subject to double taxation. In this situation, the average of the applicable State marginal tax rates, as determined under paragraphs (e)(2) (i) through (iii) of this section, shall be treated as being imposed on the entire reimbursement, and shall be used in the CMTR formula.

(B) If two or more States impose an income tax on the moving expense reimbursement, and more than one State taxes the same portion of the reimbursement, but those States allow an adjustment or credit for income taxes paid to the other State(s), then the reimbursement is not subject to double taxation. In this situation, the highest of the applicable State marginal tax rates, as determined under paragraphs (e)(2) (i) through (iii) of this section, shall be used in the CMTR formula.

(C) If two or more States impose an income tax on the moving expense reimbursement, and more than one State taxes the same portion of the reimbursement without allowing an adjustment or credit for income taxes paid to the other, then the reimbursement is subject to double taxation. In this situation, the sum of the applicable State marginal tax rates, as determined under paragraphs (e)(2) (i) through (iii) of this section, shall be used in the CMTR formula.

(3) *Local marginal tax rate.* Because of the impracticality of establishing a single marginal tax rate table for local income taxes that could be applied uniformly on a nationwide basis, appropriate local marginal tax rates shall be determined as provided in paragraphs (e)(3) (i) through (iii) of this section.

(i) If the employee incurs an additional local income tax (see definition §302-11.5(b)) liability as a result of moving expense reimbursements, he/she shall certify to such fact when claiming the RIT allowance (see certification statement in §302-11.10) by specifying the name of the locality imposing the income tax and the applicable marginal tax rate determined from the actual marginal tax rate table or schedule prescribed by the taxing locality. The marginal tax rate shall be the one applicable to the taxable income portion of the amount of earned income determined under paragraph (d) of this section for the employee (and spouse, if filing jointly). The same tax rate shall be used in calculating the CMTR for both Year 1 and Year 2. The employing agency shall establish procedures to determine whether the employee-certified local marginal tax rate is appropriate for the employee's income level and filing status and ap-

prove its use in the CMTR formulas. (See also §302-11.10(b)(2).)

(ii) If the local marginal tax rate is stated as a percentage of Federal or State income tax liability, such rate must be converted to a percent of taxable income for use in the CMTR formulas. This is accomplished by multiplying the applicable Federal or State tax rate for Year 1 as determined in paragraph (e) (1) or (2) of this section by the applicable local tax rate. For example, if the State tax rate for Year 1 is 6 percent and the local tax rate is 50 percent of State income tax liability, the local tax rate stated as a percentage of taxable income would be 3 percent. The local tax rate thus determined for Year 1 will be used in determining the CMTR for both Year 1 and Year 2.

(iii) The situations described in paragraph (e)(2)(iv) of this section with respect to State income taxes may also be encountered with local income taxes. If such situations do occur, the rules prescribed for determining the single State marginal tax rate shall also be applied to determine the single local marginal tax rate for use in the CMTR formulas.

(4) *Marginal tax rates for the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the U.S. possessions—(i) The Commonwealth of Puerto Rico.* A Federal employee who is relocated to or from a point, or between points, in the Commonwealth of Puerto Rico may be subject to income tax on the employee's salary (including moving expense reimbursements) by both the U.S. Government and the government of Puerto Rico. However, under the current law of Puerto Rico, such employee receives a credit on his/her Puerto Rico income tax for the amount of taxes paid to the United States. The rules in paragraphs (e)(4)(i) (A) through (C) apply in determining the marginal tax rate applicable for transfers to, from, or between points in Puerto Rico.

(A) The applicable Puerto Rico marginal tax rate shall be determined by using the income level determined in paragraph (d) of this section for Federal taxes and the employee's filing status. The Puerto Rico marginal tax

rate for Year 1 will be used in computing the CMTR for both Year 1 and Year 2. The Puerto Rico tax tables are contained in appendix D of this part.

(B) If the applicable Puerto Rico marginal tax rate is higher than the applicable Federal marginal tax rate, then the total amount of taxes paid by the employee to both jurisdictions is equal to the employee's total income tax liability to the Commonwealth of Puerto Rico before any credit is given for taxes paid to the United States. The Federal marginal tax rate, therefore, is of no consequence and will be disregarded. In such cases, the formula in paragraph (e)(5)(iii) of this section will be used to compute the CMTR. The CMTR formula shall include only the Puerto Rico marginal tax rate, the State marginal tax rate as determined under paragraph (e)(2) of this section (when applicable), and the local marginal tax rate as determined under paragraph (e)(3) of this section. For purposes of applying the Puerto Rico CMTR formula in paragraph (e)(5)(iii) of this section, the State marginal tax rate will be applicable if both Puerto Rico and one or more of the States impose an income tax on the moving expense reimbursement, and more than one of these entities taxes the same portion of the reimbursement without allowing an adjustment or credit for income taxes paid to the other. In this situation, the S component of the CMTR formula will be the applicable State marginal tax rate as determined under paragraph (e)(2) of this section.

(C) If the applicable Puerto Rico marginal tax rate is equal to or lower than the applicable Federal marginal tax rate, then the total amount of taxes paid by the employee to both jurisdictions is equal to the employee's total Federal income tax liability. The Puerto Rico marginal tax rate, therefore, is of no consequence in such cases and will be disregarded. The CMTR will be computed using the formula in paragraphs (e)(5) (i) and (ii) of this section. This formula will include the Federal marginal tax rate as determined under paragraph (e)(1) of this section, the State marginal tax rate as determined under paragraph (e)(2) of this section (when applicable), and the local marginal tax rate as determined under

paragraph (e)(3) of this section. The State marginal tax rate will be applicable if one or more States impose tax on the moving expense reimbursement.

(ii) *The Commonwealth of the Northern Mariana Islands and the U.S. possessions.* A Federal employee who is relocated to or from a point, or between points, in the Commonwealth of the Northern Mariana Islands or the U.S. possessions (Guam, American Samoa, and the U.S. Virgin Islands) is subject to both Federal income tax and income tax assessed by the Commonwealth of the Northern Mariana Islands or the U.S. possession, as applicable. However, the income tax system and rates for the Commonwealth of the Northern Mariana Islands and for the U.S. possessions are identical to the U.S. Federal income tax system and rates. This constitutes a "mirror tax" system. A tax credit or exclusion is provided by one of the taxing jurisdictions (either the U.S., the Commonwealth of the Northern Mariana Islands, or the U.S. possession, as appropriate) to prevent double taxation. The marginal tax rate for the Commonwealth of the Northern Mariana Islands or the U.S. possession, therefore, is of no consequence since it is identical to the Federal marginal income tax rate and is completely offset by a corresponding credit or exclusion. Thus, the Commonwealth's or the possession's tax rate will not be factored into the CMTR formula. The CMTR will be computed as provided in paragraphs (e)(5) (i) and (ii) based solely on the Federal marginal tax rate; when applicable, the State(s) marginal tax rate; and the local marginal tax rate.

(5) *Calculation of the CMTR's.* As stated above, the gross-up formula for calculating the RIT allowance requires the use of two CMTR's. However, the required CMTR's cannot be calculated by merely adding the Federal, State, and local marginal tax rates together because of the deductibility of State and local income taxes from income for Federal income tax purposes. The State tax tables prescribed in appendix B of this part are designed to use the same income amount as that determined for the Federal taxes, which reflects, among other things, State and local tax deductions. The formulas prescribed below for calculating the

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CMTR's are designed to adjust the State and local tax rates to compensate for their deductibility from income for Federal tax purposes.

(i) *Calculation of the CMTR for Year 1.* The following formula shall be used to calculate the CMTR for Year 1.

CMTR Formula: $X = F + (1 - F)S + (1 - F)L$

Where:

- X = CMTR for Year 1
- F = Federal tax rate for Year 1
- S = State tax rate for Year 1
- L = Local tax rate for Year 1

(A) *Federal, State, and local taxes incurred.* If the employee incurs Federal, State, and local income taxes on moving expense reimbursements, the CMTR formula may be solved as follows:

Example:

If:

- F=33 percent of income
- S=6 percent of income
- L=3 percent of income

Then:

$$X = .33 + (1.00 - .33).06 + (1.00 - .33).03$$

$$X = .3903$$

(B) *Federal and State income taxes only.* If the employee incurs tax liability on moving expense reimbursements for Federal and State income taxes but none for local income tax, the value of "L" is zero and the CMTR formula may be solved as follows:

Example:

If:

- F=33 percent of income
- S=6 percent of income
- L=Zero

Then:

$$X = .33 + (1.00 - .33).06$$

$$X = .3702$$

(C) *Federal and local income taxes only.* If the employee incurs a tax liability on moving expense reimbursements for Federal and local income taxes but none for State income tax, the value of "S" is zero and the CMTR formula may be solved as follows:

Example:

If:

- F=33 percent of income
- S=Zero
- L=3 percent of income

Then:

$$X = .33 + (1.00 - .33).03$$

X=.3501

(ii) *Calculation of the CMTR for Year 2.* The calculation of the CMTR for Year 2 is the same as described for Year 1, except that the Federal tax rate for Year 2 is used in place of the Federal tax rate for Year 1. State and local tax rates remain the same as for Year 1. The following formula shall be used to determine the CMTR for Year 2:

CMTR Formula: $W = F + (1 - F)S + (1 - F)L$

Where:

- W=CMTR for Year 2
- F=Federal tax rate for Year 2
- S=State tax rate for Year 1
- L=local tax rate for Year 1

(iii) *Calculation of CMTR's for Puerto Rico.* The following formula shall be used to calculate the CMTR for transfers to, from, or between points in Puerto Rico. (This formula is different from the formulas provided in paragraphs (e)(5) (i) and (ii) of this section since the Federal marginal tax rate is disregarded.)

CMTR Formula: $X = P + S + L$

Where:

- X = CMTR for Year 1 and Year 2
- P = Puerto Rico tax rate for Year 1
- S = State tax rate for Year 1, when applicable (See §302-11.8(e)(4)(i)(B).)
- L = Local tax rate for Year 1

(f) *Determination of the RIT allowance.* The RIT allowance to cover the tax liability on additional income resulting from the covered taxable reimbursements received in Year 1 is calculated in Year 2 as provided below:

(1) The RIT allowance is calculated by substituting the amount of covered taxable reimbursements for Year 1, the CMTR's for Year 1 and Year 2, and the total amount of the WTA's paid in Year 1 into the gross-up formula as follows:

$$Z = \frac{X}{1-W} (R) - \frac{1-X}{1-W} (Y)$$

Where:

- Z=RIT allowance payable in Year 2
- X=CMTR for Year 1
- W=CMTR for Year 2
- R=covered taxable reimbursements

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Y=total WTA's paid in Year 1

Example:

If:

X=.3903
W=.3448
R=\$21,800
Y=\$5,450

Then:

$$Z = \frac{.3903}{1.00 - .3448} (\$21,800) - \frac{1.00 - .3903}{1.00 - .3448} (\$5,450)$$

Z=.5957 (\$21,800) - .9306 (\$5,450)
Z=\$12,986.26 - \$5,071.77
Z=\$7,914.49

(2) There may be instances when a WTA was not paid in Year 1 at the time moving expense reimbursements were made. In cases where there is no WTA to be deducted, the value of "Y" is zero and the formula stated in paragraph (f)(1) of this section for calculating the amount of the RIT allowance (Z) due the employee in Year 2 may be solved as shown in the following example:

Example:

If:

X=.3903
W=.3448
R=\$21,800
Y=Zero

Then:

$$Z = \frac{.3903}{1.00 - .3448} (\$21,800)$$

Z=.5957 (\$21,800)
Z=\$12,986.26

(3) Certain States do not allow the deduction of all or part of the covered moving expenses that are deductible for Federal income tax purposes. The State gross-up to cover the additional State income tax liability resulting from the covered moving expense reimbursements received in Year 1 that are deductible for Federal income tax purposes but not for State income tax purposes is calculated in Year 2 as follows:

(i) The State gross-up is calculated by substituting the amount of covered moving expense reimbursements that are deductible for Federal income tax purposes but not for State income tax purposes, the Federal tax rate for Year

1, the State tax rate for Year 1, and the combined marginal tax rate for Year 2 into the State gross-up formula as follows:

Formula:

$$A = \frac{S(1-F)}{1-W} N$$

Where:

A=State gross-up
F=Federal tax rate for Year 1
S=State tax rate for Year 1
W=CMTR for Year 2
N=covered moving expense reimbursements that are deductible for Federal income tax purposes but not for State income tax purposes

Example:

If:

F=.33
S=.06
W=.3448
N=\$9,250

Then:

$$A = \frac{.06(1 - .33)}{1 - .3448} \$9,250$$

A=.0614 (\$9,250)
A=\$567.95

(ii) Add the State gross-up to the RIT allowance amount as calculated using the formula in paragraph (f)(1) of this section. The result is the RIT allowance adjusted for those States that do not allow moving expense deductions.

Example:

RIT allowance payable in Year 1 ..	\$7,914.49
Plus adjustment factor	+567.95
Total	\$8,482.44

(4) If the amount of the RIT allowance is greater than zero, it is payable to the employee on the travel voucher as a relocation or moving expense allowance. The RIT allowance amount is included in the employee's gross income for Year 2 and, therefore, subject to appropriate withholding taxes. (See net payment to employee in paragraph (g) of this section.) The RIT allowance amount will be reported on IRS Form W-2 for Year 2 (including applicable income tax withholding amounts) and on

IRS Form 4782 for the employee's information.

(5) If the calculation of the RIT allowance results in a negative amount, the employee is obligated to repay this amount as a debt due the Government. (See §§ 302-11.7(e)(2) and 302-11.9(b).)

(6) Any changes to the employee's income level or filing status for Year 1 that would affect the marginal tax rates (Federal, State, or local) used in calculating the RIT allowance must be reported to the agency by the employee as provided in § 302-11.9(b)(2). (See also § 302-11.10 for certified statement regarding these changes.)

(g) *Determination of the net payment due employee in Year 2.* Since the amount of the RIT allowance is income to the employee in Year 2, it is subject to the same tax withholding requirements as all other moving expense reimbursements. Agencies should determine the appropriate amounts for withholding taxes under their internal tax withholding procedures. The amount of withholding taxes is deducted from the RIT allowance to arrive at the net payment to the employee.

[54 FR 20332, May 10, 1989; 54 FR 23563, June 1, 1989, as amended by FTR Amdt. 14, 56 FR 9290, Mar. 6, 1991; 56 FR 12816, Mar. 27, 1991; FTR Amdt. 26, 57 FR 28636, June 26, 1992; FTR Amdt. 30, 58 FR 15437, Mar. 23, 1993; FTR Amdt. 37, 59 FR 27490, May 27, 1994]

§ 302-11.9 Responsibilities.

(a) *Agency.* Finance offices will calculate the amount of the gross-up for the WTA in Year 1 in accordance with procedures outlined herein and credit this amount to the employee at the time of reimbursement as provided in § 302-11.7(e). The WTA will be reflected on the employee's Form W-2 for Year 1. The RIT allowance may be calculated in Year 2 either by the employee or by the agency finance office based on information provided by the employee on the voucher, as directed by the agency's implementing policies and procedures. In addition, agencies shall prescribe appropriate and necessary implementing procedures as provided elsewhere in this part.

(b) *Employee.* (1) The employee is required to submit a claim for the RIT allowance and to file the tax informa-

tion for Year 1 specified in § 302-11.10 with his/her agency in Year 2, regardless of whether any additional reimbursement for the RIT allowance is owed the employee. (See § 302-11.7(e) for employee agreement.)

(2) If any action occurs (i.e., amended tax return, tax audit, etc.) that would change the information provided in Year 2 by the employee to his/her agency for use in calculating the RIT allowance due the employee for Year 1 taxes, this information must be provided by the employee to his/her agency under procedures prescribed by the agency. (See § 302-11.10.)

(3) If the calculation of the RIT allowance results in a negative amount, the employee is obligated to repay this amount as a debt due the Government. (See §§ 302-11.7(e)(2) and 302-11.8(f)(5).)

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 14, 56 FR 9292, Mar. 6, 1991; FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-11.10 Claims for payment and supporting documentation and verification.

(a) *Claims forms.* Claims for payment of the RIT allowance shall be submitted by the employee in Year 2 on SF 1012 (Travel Voucher) or other authorized travel voucher form. When claiming payment for the RIT allowance, the employee shall furnish and certify to certain tax information that has been or will be shown on his/her actually prepared tax returns. The spouse must also sign statement if joint filing status is claimed and spouse's income is included on statement. This information shall be contained in a certified statement on, or attached to, the SF 1012 reading essentially as follows:

CERTIFIED STATEMENT

I certify that the following information, which is to be used in calculating the RIT allowance to which I am entitled, has been (or will be) shown on the income tax returns filed (or to be filed) by me (or by my spouse and me) with the applicable Federal, State, and local (specify which) tax authorities for the 19__ tax year.

—Gross compensation as shown on attached IRS Form(s) W-2 and, if applicable, net earnings (or loss) from self-employment income shown on attached Schedule SE (Form 1040):

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	Form(s) W-2	Schedule SE
Employee	\$ _____	\$ _____
Spouse (if filing jointly) ¹	\$ _____	\$ _____
Total (Both columns)	_____	\$ _____

—Filing status: _____
 (Specify one of the filing status items that was (or will be) claimed on IRS Form 1040.)
 —Marginal tax rates from appendices A, B, and C of 41 CFR part 302-11 and local tax tables derived under procedures prescribed in 41 CFR part 302-11:

Federal for Year 1 _____
 Federal for Year 2 _____
 State (specify which): _____
 Local (specify which): _____

The above information is true and accurate to the best of my knowledge. I (we) agree to notify the appropriate agency official of any changes to the above (i.e., from amended tax returns, tax audit, etc.) so that appropriate adjustments to the RIT allowance can be made. The required supporting documents are attached. Additional documentation will be furnished if requested.

I (we) further agree that if the 12-month service agreement required by 41 CFR 302-1.5 is violated, the total amount of the RIT allowance will become a debt due the United States Government and will be repaid according to agency procedures.

Employee's signature _____
 Date _____

Spouse's signature (if filing jointly)¹ _____
 Date _____

¹If a joint filing status is claimed and spouse's income is included, the spouse must sign the statement. If the spouse does not sign the document, earned income will include only the employee's earned income as provided in 41 CFR 302-11.8(d). This condition will not apply if an employee is allowed, under IRS rules, to file a joint return as a surviving spouse.

(b) *Supporting documentation/verification.* The claim for the RIT allowance shall be supported by documentation attached to the voucher and by verification of State and local tax obligations as provided below:

(1) Copies of the appropriate IRS Forms W-2 and, if applicable, the completed IRS Schedule SE (Form 1040) shall be attached to the voucher to substantiate the income amounts shown in the certified statement. Employee (and spouse, if filing jointly) must agree to provide additional documentation to verify income amounts,

filing status, and State and local income tax obligations if requested by the agency.

(2) In order to determine or verify whether a particular State or local tax authority imposes a tax on moving expense reimbursements, it is incumbent upon the appropriate agency officials to become familiar with the State and local tax laws that affect their transferring employees. In cases where the taxability of moving expense reimbursements is not clear, an agency may pay a RIT allowance which reflects only those State and local tax obligations that are clearly imposed under State and local tax law. Once the questionable State or local tax obligations are resolved, agencies may recompute the RIT allowance and make appropriate payment adjustments.

(c) *Fraudulent claims.* A claim against the United States is forfeited if the claimant defrauds or attempts to defraud the Government in connection therewith (28 U.S.C. 2514). In addition, there are two criminal provisions under which severe penalties may be imposed on an employee who knowingly presents a false, fictitious, or fraudulent claim against the United States (18 U.S.C. 287 and 1001). The employee's claim for payment of the RIT allowance shall accurately reflect the facts involved in every instance so that any violation of these provisions will be avoided.

§302-11.11 Violation of service agreement.

In the event the employee violates the terms of the service agreement required under §302-1.5, no part of the RIT allowance or the WTA will be paid, and any amounts paid prior to such violation shall be a debt due the United States until they are repaid by the employee.

§302-11.12 Advance of funds.

No advance of funds is authorized in connection with the allowance provided in this part.

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

§ 302-11.13 Source references.

The following references or publications have been used as source material for this part.

(a) Internal Revenue Code (IRC), section 164(a)(3) (26 U.S.C. 164(a)(3)) pertaining to the deductibility of State and local income taxes, and section 217 (26 U.S.C. 217), pertaining to moving expenses.

(b) Internal Revenue Service Publication 521, "Moving Expenses."

(c) Internal Revenue Service, Circular E, "Employer's Tax Guide."

(d) Department of the Treasury Financial Manual, TFM 3-5000.

(e) 31 CFR 215.2 (5 U.S.C. 5516, 5517, and 5520).

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 26, 57 FR 28636, June 26, 1992]

APPENDIX A TO PART 302-11—FEDERAL TAX TABLES FOR RIT ALLOWANCE

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEARS 1983/1984

The following table is to be used to determine the Federal marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(1).

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
11	\$3,519	\$4,692	\$5,742	\$7,845	\$8,265	\$10,356	\$4,017	\$5,220
12	4,692	5,812	7,845	9,830	10,356	12,587	5,220	6,514
14	5,812	8,010	9,830	11,979	12,587	17,415	6,514	8,215
15	8,010	10,102	N/A	N/A	N/A	N/A	N/A	N/A
16	10,102	12,586	N/A	N/A	17,415	22,090	8,215	10,524
17	N/A	N/A	11,979	15,480	N/A	N/A	N/A	N/A
18	12,586	14,953	15,480	19,216	22,090	26,915	10,524	13,105
20	14,953	17,340	19,216	23,330	N/A	N/A	N/A	N/A
22	N/A	N/A	N/A	N/A	26,915	32,198	13,105	15,068
23	17,340	21,186	N/A	N/A	N/A	N/A	N/A	N/A
24	N/A	N/A	23,330	29,738	N/A	N/A	N/A	N/A
25	N/A	N/A	N/A	N/A	32,198	38,335	15,068	18,748
26	21,186	27,362	N/A	N/A	N/A	N/A	N/A	N/A
28	N/A	N/A	29,738	35,682	38,335	45,082	18,748	21,934
30	27,362	34,022	N/A	N/A	N/A	N/A	N/A	N/A
32	N/A	N/A	35,682	43,397	N/A	N/A	N/A	N/A
33	N/A	N/A	N/A	N/A	45,082	58,888	21,934	27,415
34	34,022	41,150	N/A	N/A	N/A	N/A	N/A	N/A
35	N/A	N/A	43,397	59,143	N/A	N/A	N/A	N/A
38	41,150	49,875	N/A	N/A	58,888	78,203	27,415	35,991
42	49,875	64,832	59,143	78,622	78,203	107,463	35,991	49,858
45	N/A	N/A	78,622	101,019	107,463	132,836	49,858	62,195
48	64,832	92,257	101,019	128,517	N/A	N/A	N/A	N/A
49	N/A	N/A	N/A	N/A	132,836	186,961	62,195	89,006
50	92,257	.....	128,517	.....	186,961	.....	89,006	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1985

The following table is to be used to determine the Federal marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees who received covered taxable reimbursements during calendar year 1985.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
11	\$3,455	\$4,668	\$4,834	\$7,245	\$7,770	\$9,566	\$3,329	\$4,460
12	4,668	5,865	7,245	9,726	9,566	12,134	4,460	5,767
14	5,865	8,209	9,726	12,174	12,134	17,001	5,767	8,384
15	8,209	10,420	N/A	N/A	N/A	N/A	N/A	N/A
16	10,420	12,957	N/A	N/A	17,001	21,757	8,384	10,689

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Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
17	N/A	N/A	12,174	15,623	N/A	N/A	N/A	N/A
18	12,957	15,242	15,623	19,303	21,757	26,795	10,689	13,161
20	15,242	17,601	19,303	23,250	N/A	N/A	N/A	N/A
22	N/A	N/A	N/A	N/A	26,795	32,275	13,161	15,569
23	17,601	21,513	N/A	N/A	N/A	N/A	N/A	N/A
24	N/A	N/A	23,250	29,995	N/A	N/A	N/A	N/A
25	N/A	N/A	N/A	N/A	32,275	39,016	15,569	18,966
26	21,513	28,102	N/A	N/A	N/A	N/A	N/A	N/A
28	N/A	N/A	29,995	37,075	39,016	46,428	18,966	22,953
30	28,102	35,112	N/A	N/A	N/A	N/A	N/A	N/A
32	N/A	N/A	37,075	44,145	N/A	N/A	N/A	N/A
33	N/A	N/A	N/A	N/A	46,428	60,694	22,953	29,565
34	35,112	42,507	N/A	N/A	N/A	N/A	N/A	N/A
35	N/A	N/A	44,145	59,644	N/A	N/A	N/A	N/A
38	42,507	53,394	N/A	N/A	60,694	80,537	29,565	39,359
42	53,394	72,157	59,644	83,982	80,537	114,119	39,359	54,702
45	N/A	N/A	83,982	113,966	114,119	147,522	54,702	75,409
48	72,157	101,995	113,966	145,359	N/A	N/A	N/A	N/A
49	N/A	N/A	N/A	N/A	147,522	207,441	75,409	110,906
50	101,995	.....	145,359	.....	207,441	.....	110,906	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1986

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees who received covered taxable reimbursements during calendar year 1986.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
11	\$6,180	\$7,370	\$6,782	\$9,533	\$9,670	\$11,795	\$5,840	\$7,879
12	7,370	8,450	9,533	10,523	11,795	13,739	7,879	9,665
14	8,450	10,710	10,523	12,705	13,739	18,356	9,665	11,000
15	10,710	11,775	N/A	N/A	N/A	N/A	N/A	N/A
16	11,775	13,197	N/A	N/A	18,356	23,068	11,000	11,600
17	N/A	N/A	12,705	16,050	N/A	N/A	N/A	N/A
18	13,197	15,648	16,050	19,764	23,068	27,963	11,600	13,947
20	15,648	18,108	19,764	23,841	N/A	N/A	N/A	N/A
22	N/A	N/A	N/A	N/A	27,963	33,533	13,947	16,843
23	18,108	22,040	N/A	N/A	N/A	N/A	N/A	N/A
24	N/A	N/A	23,841	29,849	N/A	N/A	N/A	N/A
25	N/A	N/A	N/A	N/A	33,533	40,202	16,843	20,297
26	22,040	28,198	N/A	N/A	N/A	N/A	N/A	N/A
28	N/A	N/A	29,849	35,320	40,202	46,870	20,297	22,659
30	28,198	33,918	N/A	N/A	N/A	N/A	N/A	N/A
32	N/A	N/A	35,320	41,715	N/A	N/A	N/A	N/A
33	N/A	N/A	N/A	N/A	46,870	59,477	22,659	30,364
34	33,918	40,741	N/A	N/A	N/A	N/A	N/A	N/A
35	N/A	N/A	41,715	54,643	N/A	N/A	N/A	N/A
38	40,741	47,419	N/A	N/A	59,477	76,132	30,364	44,795
42	47,419	64,468	54,643	74,430	76,132	104,120	44,795	55,653
45	N/A	N/A	74,430	112,442	112,442	128,224	55,653	69,383
48	64,468	96,172	112,442	129,934	N/A	N/A	N/A	N/A
49	N/A	N/A	N/A	N/A	128,224	183,988	69,383	106,160
50	96,172	.....	129,934	.....	183,988	.....	106,160	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1987

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1987.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
11	\$4,650	\$6,481	\$7,763	\$10,309	\$10,400	\$13,719	\$5,811	\$7,081
15	6,481	21,979	10,309	31,379	13,719	40,020	7,081	19,602
28	21,979	33,433	31,379	47,903	40,020	58,705	19,602	31,572
35	33,433	58,810	47,903	88,015	58,705	101,432	31,572	54,120
38.5	58,810	.....	88,015	.....	101,432	.....	54,120	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1988

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1988.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$5,260	\$23,920	\$9,440	\$34,215	\$12,500	\$43,410	\$6,200	\$21,880
28	23,920	52,310	34,215	77,300	43,410	88,740	21,880	47,475
33	52,310	113,370	77,300	166,910	88,740	197,820	47,475	133,415
28	113,370	.....	166,910	.....	197,820	.....	133,415	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1989

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1989.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$5,320	\$24,111	\$9,061	\$33,963	\$12,940	\$43,397	\$6,723	\$23,089
28	24,111	50,311	33,963	71,688	43,397	84,030	23,089	54,177
33	50,311	110,883	71,688	164,538	84,030	198,284	54,177	145,523
28	110,883	.....	164,538	.....	198,284	.....	145,523	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1990

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1990.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$5,556	\$25,167	\$9,824	\$35,312	\$12,652	\$44,759	\$6,885	\$23,089
28	25,167	51,042	35,312	75,233	44,759	84,283	23,089	50,147
33	51,042	112,588	75,233	170,564	84,283	200,559	50,147	148,107
28	112,588	170,564	200,559	148,107

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FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1991

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1991.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$5,754	\$26,242	\$10,177	\$36,611	\$13,093	\$46,770	\$7,120	\$23,977
28	26,242	55,330	36,611	78,894	46,770	94,598	23,977	47,908
31	55,330	.....	78,894	.....	94,598	.....	47,908	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1992

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1992.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,190	\$27,963	\$10,864	\$38,611	\$14,316	\$50,219	\$7,819	\$25,629
28	27,963	58,786	38,611	83,158	50,219	101,123	25,629	50,939
31	58,786	.....	83,158	.....	101,123	.....	50,939	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1993

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1993.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$ 6,253	\$29,075	\$11,181	\$41,832	\$15,153	\$53,837	\$ 7,677	\$27,035
28	29,075	65,032	41,832	96,209	53,837	112,456	27,035	55,674
31	65,032	135,204	96,209	151,017	112,456	167,399	55,674	87,153
36	135,204	275,043	151,017	270,700	167,399	276,908	87,153	146,600
39.6	275,043	.....	270,700	.....	276,908	.....	146,600	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1994

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1994.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,492	\$30,068	\$11,603	\$43,304	\$15,846	\$55,773	\$7,738	\$27,855
28	30,068	67,256	43,304	97,172	55,773	115,653	27,855	58,980
31	67,256	134,936	97,172	155,995	115,653	167,653	58,980	86,842
36	134,936	273,705	155,995	284,250	167,653	277,401	86,842	142,545
39.6	273,705	.....	284,250	.....	277,401	.....	142,545	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1995

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1995.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
	15	\$6,643	\$30,783	\$11,937	\$44,304	\$16,387	\$57,249	\$8,171
28	30,783	68,684	44,304	102,201	57,249	119,362	28,637	59,017
31	68,684	139,546	102,201	163,966	119,362	173,514	59,017	88,341
36	139,546	283,746	163,966	294,200	173,514	286,217	88,341	147,650
39.6	283,746	.....	294,200	.....	286,217	.....	147,650	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1996

The following table is to be used to determine the Federal marginal tax rate for Year 1 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar year 1996.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
	15	\$6,885	\$31,807	\$12,295	\$45,572	\$17,027	\$59,055	\$8,229	$29,600
28	31,807	70,867	45,572	105,805	59,055	123,190	29,600	61,245
31	70,867	144,170	105,805	168,990	123,190	179,414	61,245	90,611
36	144,170	292,883	168,990	301,968	179,414	295,681	90,611	150,779
39.6	292,883	.....	301,968	.....	295,681	.....	150,779	.....

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 5, 55 FR 1674, Jan. 18, 1990; FTR Amdt. 15, 56 FR 10378, Mar. 12, 1991; FTR Amdt. 24, 57 FR 1112, Jan. 10, 1992; FTR Amdt. 28, 58 FR 8547, Feb. 16, 1993; FTR Amdt. 35, 59 FR 22520, May 2, 1994; FTR Amdt. 43, 60 FR 2536, Jan. 10, 1995; FTR Amdt. 46, 61 FR 3838, Feb. 2, 1996; FTR Amdt. 57, 62 FR 8174, Feb. 24, 1997]

APPENDIX B TO PART 302-11—STATE TAX TABLES FOR RIT ALLOWANCE

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEARS 1983/1984

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2).

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
	1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	8	8	8	8
4. Arkansas	6	7	7	7
5. California	3	7	11	11
If single status ³	8	11	11	11
6. Colorado	8	8	8	8
7. Connecticut	0	0	0	0
8. Delaware	8.4	11	13.5	13.5
If single status ³	8.8	12.2	13.5	13.5
9. District of Columbia	10	11	11	11
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8.5	10	10.5	11
If single status ³	10.5	11	11	11
13. Idaho	7.5	7.5	7.5	7.5
14. Illinois	2.5	2.5	2.5	2.5

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
15. Indiana	3	3	3	3
16. Iowa	8	11	12	13
17. Kansas	7.5	9	9	9
18. Kentucky	6	6	6	6
19. Louisiana	4	4	6	6
20. Maine	8	9.2	10	10
If single status ³	9.2	10	10	10
21. Maryland	5	5	5	5
22. Massachusetts	5.375	5.375	5.375	5.375
23. Michigan	5.35	5.35	5.35	5.35
24. Minnesota	14	16	16	16
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	9	10	11	11
28. Nebraska	* 19 percent of Federal income tax liability ⁴			
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	3.9	5.6	6.5	7.8
If single status ³	6.1	6.9	7.4	7.8
33. New York	11	14	14	14
If single status ³	13	14	14	14
34. North Carolina	7	7	7	7
35. North Dakota	6	8	9	9
36. Ohio	4.75	5.7	6.65	9.5
37. Oklahoma	6	6	6	6
38. Oregon	10.8	10.8	10.8	10.8
39. Pennsylvania	2.35	2.35	2.35	2.35
40. Rhode Island	* 25.5 percent of Federal income tax liability ⁴			
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.75	7.75	7.75	7.75
46. Vermont	* 26 percent of Federal income tax liability ⁴			
47. Virginia	5.75	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	3.5	7.4	10.5	13
If single status ³	8.2	12.6	13	13
50. Wisconsin	8.7	9.5	10	10
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1985

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1985.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	8	8	8	8
4. Arkansas	6	7	7	7
5. California	3	7	11	11
If single status ³	8	11	11	11
6. Colorado	8	8	8	8
7. Connecticut	0	0	0	0
8. Delaware	7.6	9.9	10.7	10.7
9. District of Columbia	10	11	11	11

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8.5	10	10.5	11
If single status ³	10.5	11	11	11
13. Idaho	7.5	7.5	7.5	7.5
14. Illinois	2.5	2.5	2.5	2.5
15. Indiana	3	3	3	3
16. Iowa	8	11	12	13
17. Kansas	7.5	9	9	9
18. Kentucky	6	6	6	6
19. Louisiana	4	4	6	6
20. Maine	7	9.2	10	10
If single status ³	9.2	10	10	10
21. Maryland	5	5	5	5
22. Massachusetts	5.375	5.375	5.375	5.375
23. Michigan	5.35	5.35	5.35	5.35
24. Minnesota	14	16	16	16
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	9	10	11	11
28. Nebraska		* 19 percent of Federal income tax liability ⁴		
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	3.5	5.6	6.5	7.8
If single status ³	6.1	6.9	7.4	7.8
33. New York	11	14	14	14
If single status ³	13	14	14	14
34. North Carolina	7	7	7	7
35. North Dakota	6	8	9	9
36. Ohio	4.75	5.7	6.65	9.5
37. Oklahoma	6	6	6	6
38. Oregon	10.8	10.8	10.8	10.8
39. Pennsylvania	2.35	2.35	2.35	2.35
40. Rhode Island		* 23.15 percent of Federal income tax liability ⁴		
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.75	7.75	7.75	7.75
46. Vermont		* 26.5 percent of Federal income tax liability ⁴		
47. Virginia	5.75	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	3.5	7.4	10.5	13
If single status ³	8.2	12.6	13	13
50. Wisconsin	8.7	9.5	10	10
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.
² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).
³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.
⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1986

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1986.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	8	8	8	8

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
4. Arkansas	6	7	7	7
5. California	3	7	11	11
If single status ³	8	11	11	11
6. Colorado	8	8	8	8
7. Connecticut	0	0	0	0
8. Delaware	6.9	9.0	9.7	9.7
9. District of Columbia	10	11	11	11
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8.5	10.0	10.5	11
If single status ³	10.5	11	11	11
13. Idaho	7.5	7.5	7.5	7.5
14. Illinois	2.5	2.5	2.5	2.5
15. Indiana	3	3	3	3
16. Iowa	8	11	12	13
17. Kansas	7.5	9	9	9
18. Kentucky	6	6	6	6
19. Louisiana	4	4	6	6
20. Maine	7	9.2	10	10
If single status ³	9.2	10	10	10
21. Maryland	5	5	5	5
22. Massachusetts	5.19	5.19	5.19	5.19
23. Michigan	4.725	4.725	4.725	4.725
24. Minnesota	11	14	14	14
If single status ³	14	14	14	14
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	9	10	11	11
28. Nebraska	* 19 percent of Federal income tax liability ⁴			
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	4.8	6.9	7.7	8.5
33. New York	11	13.5	13.5	13.5
34. North Carolina	7	7	7	7
35. North Dakota	6	8	9	9
36. Ohio	4.513	5.415	6.318	9.025
37. Oklahoma	6	6	6	6
38. Oregon	9.75	9.75	9.75	9.75
39. Pennsylvania	2.167	2.167	2.167	2.167
40. Rhode Island	* 22.21 percent of Federal income tax liability ⁴			
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.75	7.75	7.75	7.75
46. Vermont	* 26.5 percent of Federal income tax liability ⁴			
47. Virginia	5.75	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	3.5	7.4	10.5	13
If single status ³	8.2	12.6	12.9	13
50. Wisconsin	9.1	9.5	10	10
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.
² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(i).
³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.
⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1987

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1987.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	7	8	8	8
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	9.3	9.3	9.3
If single status ³	8	9.3	9.3	9.3
6. Colorado	5	5	5	5
7. Connecticut	0	0	0	0
8. Delaware	6.1	8.2	8.8	8.8
9. District of Columbia	8	10	10	10
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8.25	9.75	10	10
If single status ³	9.75	10	10	10
13. Idaho	7.8	8.2	8.2	8.2
14. Illinois	2.5	2.5	2.5	2.5
15. Indiana	3.2	3.2	3.2	3.2
16. Iowa	7	11	12	13
17. Kansas	7.5	9	9	9
18. Kentucky	6	6	6	6
19. Louisiana	4	4	6	6
20. Maine	3	9.2	10	10
If single status ³	9.2	10	10	10
21. Maryland	5	5	5	5
22. Massachusetts	5	5	5	5
23. Michigan	4.6	4.6	4.6	4.6
24. Minnesota	8	9	9	9
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	7	10	11	11
If single status ³	9	10	11	11
28. Nebraska	3.2	5	5.9	5.9
If single status ³	5	5.9	5.9	5.9
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	3.8	5.9	7.7	8.5
If single status ³	5.8	7.7	8.5	8.5
33. New York	7	8.75	8.75	8.75
If single status ³	8.75	8.75	8.75	8.75
34. North Carolina	7	7	7	7
35. North Dakota	6.67	9.33	12	12
If single status ³	8	10.67	12	12
36. Ohio	3.004	4.506	5.257	6.008
37. Oklahoma	4	6	6	6
If single status ³	6	6	6	6
38. Oregon	9	9	9	9
39. Pennsylvania	2.1	2.1	2.1	2.1
40. Rhode Island	* 23.46 percent of Federal income tax liability ⁴			
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.75	7.75	7.75	7.75
46. Vermont	* 25.8 percent of Federal income tax liability ⁴			
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6	6.5
If single status ³	4	6	6.5	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in § 302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in § 302-11.8(e)(2)(iii).

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STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1988

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1988.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	6	8	8	8
If single status ³	8	8	8	8
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	6	9.3	9.3
If single status ³	6	9.3	9.3	9.3
6. Colorado	5	5	5	5
7. Connecticut	0	0	0	0
8. Delaware	6	7.6	7.7	7.7
If single status ³	6	7.7	7.7	7.7
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8.25	9.75	10	10
If single status ³	9.75	10	10	10
13. Idaho	7.5	7.8	8.2	8.2
If single status ³	7.8	8.2	8.2	8.2
14. Illinois	2.5	2.5	2.5	2.5
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	8.8	9.98	9.98
If single status ³	7.2	8.8	9.98	9.98
17. Kansas	4.05	5.3	5.3	5.3
If single status ³	4.8	6.1	6.1	6.1
18. Kentucky	6	6	6	6
19. Louisiana	2	4	4	6
If single status ³	4	4	6	6
20. Maine	2	8	8	8
If single status ³	8	8	8	8
21. Maryland	5	5	5	5
22. Massachusetts	5	5	5	5
23. Michigan	4.6	4.6	4.6	4.6
24. Minnesota	6	8	8	8.5
If single status ³	8	8.5	8.5	8.5
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	7.7	11	12.1	12.1
If single status ³	8.8	11	12.1	12.1
28. Nebraska	3.15	5	5.9	5.9
If single status ³	5	5.9	5.9	5.9
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	3.8	6.9	7.7	8.5
If single status ³	5.8	8.5	8.5	8.5
33. New York	5	8.375	8.375	8.375
If single status ³	8.375	8.375	8.375	8.375
34. North Carolina	7	7	7	7
35. North Dakota		* 14 percent of Federal income tax liability ⁴		
36. Ohio	2.972	4.457	5.201	6.9
If single status ³	3.715	5.201	5.201	6.9
37. Oklahoma	4	6	6	6
If single status ³	6	6	6	6
38. Oregon	9	9	9	9
39. Pennsylvania	2.1	2.1	2.1	2.1
40. Rhode Island		* 22.96 percent of Federal income tax liability ⁴		
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.75	7.75	7.75	7.75
46. Vermont		* 23 percent of Federal income tax liability ⁴		
47. Virginia	5	5.75	5.75	5.75

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
If single status ³	5.75	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6.5	6.5
If single status ³	4	6	6.5	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
If single status ³	6.93	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1989

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1989.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	6	8	8	8
If single status ³	8	8	8	8
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	6	9.3	9.3
If single status ³	6	9.3	9.3	9.3
6. Colorado	5	5	5	5
7. Connecticut	0	0	0	0
8. Delaware	6	7.6	7.7	7.7
If single status ³	6	7.7	7.7	7.7
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	7.5	7.8	8.2	8.2
If single status ³	7.8	8.2	8.2	8.2
14. Illinois	2.75	2.75	2.75	2.75
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	8.8	9.98	9.98
If single status ³	7.2	8.8	9.98	9.98
17. Kansas	3.65	5.15	5.15	5.15
If single status ³	4.5	5.95	5.95	5.95
18. Kentucky	6	6	6	6
19. Louisiana	2	4	4	6
If single status ³	4	4	6	6
20. Maine	4.5	8.5	8.5	8.5
If single status ³	8.5	8.5	8.5	8.5
21. Maryland	5	5	5	5
22. Massachusetts	5.375	5.375	5.375	5.375
23. Michigan	4.6	4.6	4.6	4.6
24. Minnesota	6	8	8	8.5
If single status ³	8	8.5	8.5	8.5
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	7	10	11	11
If single status ³	8	10	11	11
28. Nebraska	3.1	4.8	5.9	5.9
If single status ³	4.8	5.9	5.9	5.9
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	3.8	6.9	7.7	8.5

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
If single status ³	5.8	8.5	8.5	8.5
33. New York	5	7.875	7.875	7.875
If single status ³	7.875	7.875	7.875	7.875
34. North Carolina	7	7	7	7
35. North Dakota	*17 percent of Federal income tax liability ⁴			
36. Ohio	2.972	4.457	5.201	6.9
If single status ³	3.715	5.201	5.201	6.9
37. Oklahoma	4	6	6	6
If single status ³	6	6	6	6
38. Oregon	9	9	9	9
39. Pennsylvania	2.1	2.1	2.1	2.1
40. Rhode Island	*22.96 percent of Federal income tax liability ⁴			
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.35	7.35	7.35	7.35
46. Vermont	*25 percent of Federal income tax liability ⁴			
47. Virginia	5	5.75	5.75	5.75
If single status ³	5.75	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6.5	6.5
If single status ³	4	6	6.5	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
If single status ³	6.93	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.
² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).
³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.
⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1990

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1990.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3.8	4.4	5.25	7
If single status ³	4.4	5.25	6.5	7
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	6	9.3	9.3
If single status ³	6	9.3	9.3	9.3
6. Colorado	5	5	5	5
7. Connecticut	0	0	0	0
8. Delaware	6	7.6	7.7	7.7
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	7.8	8.2	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	8.8	9.98	9.98
17. Kansas	3.65	5.15	5.15	5.15
18. Kentucky	6	6	6	6
19. Louisiana	4	4	6	6
20. Maine	4.5	8.5	8.5	8.5
If single status ³	8.5	8.5	8.5	8.5
21. Maryland	5	5	5	5

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 & over
22. Massachusetts	5.95	5.95	5.95	5.95
23. Michigan	4.6	4.6	4.6	4.6
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	6	10	11	11
If single status ³	8	10	11	11
28. Nebraska	3.361	5.21	6.41	6.41
If single status ³	5.21	6.41	6.41	6.41
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	3.5
32. New Mexico	3.8	6.9	7.7	8.5
If single status ³	5.8	8.5	8.5	8.5
33. New York	5	7.875	7.875	7.875
If single status ³	7.875	7.875	7.875	7.875
34. North Carolina	6	7	7	7
35. North Dakota	6.67	10.67	12	12
If Single status ³	8	10.67	12	12
36. Ohio	2.972	4.457	5.201	6.9
37. Oklahoma	4	7	7	7
If single status ³	7	7	7	7
38. Oregon	9	9	9	9
39. Pennsylvania	2.1	2.1	2.1	2.1
40. Rhode Island	22.96 percent of Federal income tax liability ⁴			
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.2	7.2	7.2	7.2
46. Vermont	28 percent of Federal income tax liability ⁴			
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6.5	6.5
If single status ³	4	6	6.5	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.
²If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).
³This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.
⁴Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1991

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1991.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3.8	4.4	5.25	7
If single status ³	4.4	5.25	6.5	7
4. Arkansas	3.5	7	7	7
If single status ³	6	7	7	7
5. California	2	6	8	11
If single status ³	6	9.3	9.3	11
6. Colorado	5	5	5	5
7. Connecticut	1.5	1.5	1.5	1.5
8. Delaware	5	7.6	7.7	7.7
9. District of Columbia	6	9.5	9.5	9.5
If single status ³	8	9.5	9.5	9.5
10. Florida	0	0	0	0

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
11. Georgia	5	6	6	6
12. Hawaii	7.25	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	6.5	7.8	8.2	8.2
If single status ³	7.8	8.2	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	5	8.8	9.98	9.98
If single status ³	7.2	8.8	9.98	9.98
17. Kansas	3.65	3.65	5.15	5.15
If single status ³	4.5	5.95	5.95	5.95
18. Kentucky	6	6	6	6
19. Louisiana	2	4	4	6
If single status ³	4	4	6	6
20. Maine	4.725	8.925	8.925	9.89
If single status ³	8.925	9.89	9.89	9.89
21. Maryland	5	5	5	5
22. Massachusetts	6.25	6.25	6.25	6.25
23. Michigan	4.6	4.6	4.6	4.6
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	4	5	5	5
26. Missouri	5.5	6	6	6
27. Montana	5	10	10	11
If single status ³	8	10	11	11
28. Nebraska	3.63	5.62	6.92	6.92
If single status ³	5.62	6.92	6.92	6.92
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	7
If single status ³	2	5	6.5	7
32. New Mexico	3.8	5.9	7.7	8.5
If single status ³	5.8	7.7	8.5	8.5
33. New York	4	7.875	7.875	7.875
If single status ³	7.875	7.875	7.875	7.875
34. North Carolina	6	7	7	7.75
35. North Dakota	6.67	9.33	12	12
If single status ³	8	10.67	12	12
36. Ohio	1.486	4.457	5.201	6.9
If single status ³	3.715	4.457	5.201	6.9
37. Oklahoma	3	7	7	7
If single status ³	7	7	7	7
38. Oregon	9	9	9	9
39. Pennsylvania	2.6	2.6	2.6	2.6
40. Rhode Island	*27.5 percent of Federal income tax liability ⁴			
41. South Carolina	6	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.2	7.2	7.2	7.2
46. Vermont	*(See footnote 5) ⁴			
If single status ³	*34 percent of Federal income tax liability ⁴			
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	3	4.5	6	6.5
50. Wisconsin	4.9	6.93	6.93	6.93
If single status ³	6.93	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁵ The income tax rate for Vermont (for other than single status) is 31 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; for all other employees the rate is 34 percent of Federal income tax liability.

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1992

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1992.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3.8	4.4	5.25	7
If single status ³	4.4	5.25	6.5	7
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	6	8	11
If single status ³	6	9.3	9.3	11
6. Colorado	5	5	5	5
7. Connecticut	4.5	4.5	4.5	4.5
8. Delaware	6	7.7	7.7	7.7
9. District of Columbia	6	9.5	9.5	9.5
If single status ³	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	5	6	6	6
12. Hawaii	7.25	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	6.5	7.8	8.2	8.2
If single status ³	7.8	8.2	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	8.8	9.98	9.98
17. Kansas	3.5	6.25	6.25	6.45
If single status ³	4.4	7.75	7.75	7.75
18. Kentucky	6	6	6	6
19. Louisiana	2	4	6	6
If single status ³	4	4	6	6
20. Maine	4.725	8.925	8.925	9.89
If single status ³	8.925	9.89	9.89	9.89
21. Maryland	5	5	5	6
22. Massachusetts	5.95	5.95	5.95	5.95
23. Michigan	4.6	4.6	4.6	4.6
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	4	5	5	5
26. Missouri	6	6	6	6
27. Montana	5.115	10.23	11.253	11.253
If single status ³	8.184	11.253	11.253	11.253
28. Nebraska	3.63	5.62	6.92	6.92
If single status ³	5.62	6.92	6.92	6.92
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	7
If single status ³	2	6.5	6.5	7
32. New Mexico	3.8	5.9	7.7	8.5
If single status ³	5.8	8.5	8.5	8.5
33. New York	4	7.875	7.875	7.875
If single status ³	7.875	7.875	7.875	7.875
34. North Carolina	6	7	7	7.75
35. North Dakota	6.67	9.33	12	12
If single status ³	8	10.67	12	12
36. Ohio	1.486	4.457	5.201	6.9
If single status ³	3.715	5.201	5.201	6.9
37. Oklahoma	4	7	7	7
If single status ³	7	7	7	7
38. Oregon	9	9	9	9
39. Pennsylvania	2.95	2.95	2.95	2.95
40. Rhode Island	(4)	(4)	(4)	(4)
If single status ³	(5)	(5)	(5)	(5)
41. South Carolina	6	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.2	7.2	7.2	7.2
46. Vermont	(6)	(6)	(6)	(6)

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
If single status ³	(?)	(?)	(?)	(?)
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	3	4.5	6	6.5
If single status ³	4	6	6.5	6.5
50. Wisconsin	4.9	6.93	6.93	6.93
If single status ³	6.93	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.
² If the earned marginal tax rate is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).
³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.
⁴ The income tax rate for Rhode Island (for other than single status) is 27.5 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$74,999; and 29.75 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).
⁵ The income tax rate for Rhode Island (for single status) is 27.5 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$49,999; and 29.75 percent of Federal income tax liability for employees whose earned income amounts are \$50,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).
⁶ The income tax rate for Vermont (for other than single status) is 28 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 31 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$74,999; and 34 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).
⁷ The income tax rate for Vermont (for single status) is 28 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 31 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$49,999; and 34 percent of Federal income tax liability for employees whose earned income amounts are \$50,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1993

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1993.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3.8	4.4	5.25	7
If single status ³	4.4	5.25	6.5	7
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	4	8	11
If single status ³	6	9.3	9.3	11
6. Colorado	5	5	5	5
7. Connecticut	4.5	4.5	4.5	4.5
8. Delaware	6	7.6	7.7	7.7
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	6.5	7.8	8.2	8.2
If single status ³	7.8	8.2	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	8.8	9.98	9.98
17. Kansas	3.5	6.25	6.25	6.45
If single status ³	4.4	7.75	7.75	7.75
18. Kentucky	6	6	6	6
19. Louisiana	4	4	6	6
20. Maine	4.5	7	8.5	8.5
If single status ³	8.5	8.5	8.5	8.5
21. Maryland	5	5	5	6
22. Massachusetts	5.95	5.95	5.95	5.95
23. Michigan	4.6	4.6	4.6	4.6

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	6.282	9.423	10.47	11.517
If single status ³	8.376	10.47	10.47	11.517
28. Nebraska	3.65	5.24	6.99	6.99
If single status ³	5.24	6.99	6.99	6.99
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	2	2.5	3.5	7
If single status ³	2	5	6.5	7
32. New Mexico	3.8	5.9	7.7	8.5
If single status ³	5.8	7.7	8.5	8.5
33. New York	5	7.875	7.875	7.875
If single status ³	7.875	7.875	7.875	7.875
34. North Carolina	6	7	7	7.75
35. North Dakota	6.67	9.33	12	12
If single status ³	8	10.67	12	12
36. Ohio	2.972	4.457	5.201	7.5
37. Oklahoma	5	7	7	7
If single status ³	7	7	7	7
38. Oregon	9	9	9	9
39. Pennsylvania	2.8	2.8	2.8	2.8
40. Rhode Island		(See footnote 4)		
If single status ³		(See footnote 5)		
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.2	7.2	7.2	7.2
46. Vermont		(See footnote 6)		
If single status ³		(See footnote 7)		
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ The income tax rate for Rhode Island (for other than single status) is 27.5 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 32 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$49,999; 27.55 percent of Federal income tax liability for employees whose earned income amounts are between \$50,000-\$74,999; and 25.05 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁵ The income tax rate for Rhode Island (for single status) is 32 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 27.55 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$49,999; and 25.05 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁶ The income tax rate for Vermont (for other than single status) is 28 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 31 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$74,999; and 34 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁷ The income tax rate for Vermont (for single status) is 28 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 31 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$49,999; and 34 percent of Federal income tax liability for employees whose earned income amounts are \$50,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1994

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1994.

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3.25	4.0	5.05	6.9
If single status ³	3.25	4.0	6.4	6.9
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	4	8	11
If single status ³	6	9.3	9.3	11
6. Colorado	5	5	5	5
7. Connecticut	4.5	4.5	4.5	4.5
8. Delaware	6	7.6	7.7	7.7
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	7.5	7.8	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	8.8	9.98	9.98
17. Kansas	3.5	6.25	6.25	6.45
If single status ³	4.4	7.75	7.75	7.75
18. Kentucky	6	6	6	6
19. Louisiana	2	4	6	6
If single status ³	4	4	6	6
20. Maine	4.5	8.5	8.5	8.5
If single status ³	8.5	8.5	8.5	8.5
21. Maryland	5	5	5	6
22. Massachusetts	5.95	5.95	5.95	5.95
23. Michigan	4.4	4.4	4.4	4.4
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	6	9	10	11
If single status ³	8	10	10	11
28. Nebraska	3.65	5.24	6.99	6.99
If single status ³	5.24	6.99	6.99	6.99
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	1.9	2.375	3.325	6.65
If single status ³	1.9	4.75	6.175	6.65
32. New Mexico	3.2	6	7.9	8.5
If single status ³	6	7.9	8.5	8.5
33. New York	5	7.875	7.875	7.875
If single status ³	7.875	7.875	7.875	7.875
34. North Carolina	6	7	7	7.75
35. North Dakota	6.67	9.33	12	12
If single status ³	8	10.67	12	12
36. Ohio	2.972	4.457	5.201	7.5
37. Oklahoma	5	7	7	7
If single status ³	7	7	7	7
38. Oregon	9	9	9	9
39. Pennsylvania	2.8	2.8	2.8	2.8
40. Rhode Island		(See footnote 4)		
If single status ³		(See footnote 5)		
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.2	7.2	7.2	7.2
46. Vermont		(See footnote 6)		
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴The income tax rate for Rhode Island (for other than single status) is 27.5 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 32 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$49,999; 27.55 percent of Federal income tax liability for employees whose earned income amounts are between \$50,000-\$74,999; and 25.05 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in § 302-11.8(e)(2)(iii).

⁵The income tax rate for Rhode Island (for single status) is 32 percent of Federal income tax liability for employees whose earned income amounts are between \$20,000-\$24,999; 27.55 percent of Federal income tax liability for employees whose earned income amounts are between \$25,000-\$74,999; and 25.05 percent of Federal income tax liability for employees whose earned income amounts are \$75,000 and over. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in § 302-11.8(e)(2)(iii).

⁶The income tax rate for Vermont is 25 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in § 302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1995

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1995.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1 2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3.25	4	5.05	6.9
If single status ³	4	5.05	6.4	6.9
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	4	8	11
If single status ³	4	9.3	9.3	11
6. Colorado	5	5	5	5
7. Connecticut	4.5	4.5	4.5	4.5
8. Delaware	6	7.6	7.7	7.7
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	7.5	7.8	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	7.55	9.98	9.98
If single status ³	7.2	8.8	9.98	9.98
17. Kansas	3.5	6.25	6.25	6.45
If single status ³	4.4	7.75	7.75	7.75
18. Kentucky	6	6	6	6
19. Louisiana	2	4	4	6
If single status ³	4	4	6	6
20. Maine	4.5	7	8.5	8.5
If single status ³	8.5	8.5	8.5	8.5
21. Maryland	5	5	5	5
22. Massachusetts	5.95	5.95	5.95	5.95
23. Michigan	4.4	4.4	4.4	4.4
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	5	5	5	5
26. Missouri	6	6	6	6
27. Montana	6	9	10	11
28. Nebraska	3.65	5.60	7.35	7.75
If single status ³	5.60	7.35	7.60	7.75
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	1.7	2.125	2.975	6.58
If single status ³	1.7	4.25	6.013	6.58
32. New Mexico	3.2	6	7.1	8.5
If single status ³	6	7.1	7.9	8.5
33. New York	4.55	7.594	7.594	7.594
If single status ³	7.594	7.594	7.594	7.594
34. North Carolina	6	7	7	7.75
35. North Dakota	14	14	14	14
		(See footnote 4)		
36. Ohio	2.972	4.457	5.201	7.5
37. Oklahoma	4	7	7	7
If single status ³	7	7	7	7

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State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
38. Oregon	9	9	9	9
39. Pennsylvania	2.8	2.8	2.8	2.8
40. Rhode Island	27.5	27.5	27.5	27.5
		(See footnote 5)		
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7.2	7.2	7.2	7.2
46. Vermont		(See footnote 6)		
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ The income tax rate for North Dakota is 14 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁵ The income tax rate for Rhode Island is 27.5 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁶ The income tax rate for Vermont is 25 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

STATE MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1996

The following table is to be used to determine the State marginal tax rates for calculation of the RIT allowance as prescribed in §302-11.8(e)(2). This table is to be used for employees who received covered taxable reimbursements during calendar year 1996.

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
1. Alabama	5	5	5	5
2. Alaska	0	0	0	0
3. Arizona	3	3.5	4.2	5.6
4. Arkansas	4.5	7	7	7
If single status ³	6	7	7	7
5. California	2	4	8	11
If single status ³	4	9.3	9.3	11
6. Colorado	5	5	5	5
7. Connecticut	4.5	4.5	4.5	4.5
8. Delaware	6	7.1	7.1	7.1
9. District of Columbia	8	9.5	9.5	9.5
10. Florida	0	0	0	0
11. Georgia	6	6	6	6
12. Hawaii	8	9.5	10	10
If single status ³	9.5	10	10	10
13. Idaho	7.8	8.2	8.2	8.2
14. Illinois	3	3	3	3
15. Indiana	3.4	3.4	3.4	3.4
16. Iowa	6.8	7.55	9.98	9.98
If single status ³	7.2	8.8	9.98	9.98
17. Kansas	3.5	6.25	6.25	6.45
If single status ³	4.4	7.75	7.75	7.75
18. Kentucky	6	6	6	6
19. Louisiana	2	4	4	6
If single status ³	4	4	6	6
20. Maine	4.5	7	8.5	8.5
If single status ³	8.5	8.5	8.5	8.5
21. Maryland	5	5	5	5
22. Massachusetts	5.95	5.95	5.95	5.95
23. Michigan	4.4	4.4	4.4	4.4
24. Minnesota	6	8	8	8.5
If single status ³	8	8	8.5	8.5
25. Mississippi	5	5	5	5

State (or district)	Marginal tax rates (stated in percents) for the earned income amounts specified in each column ^{1,2}			
	\$20,000-\$24,999	\$25,000-\$49,999	\$50,000-\$74,999	\$75,000 and over
26. Missouri	6	6	6	6
27. Montana	6	9	10	11
28. Nebraska	3.65	5.24	6.99	6.99
If single status ³	5.24	6.99	6.99	6.99
29. Nevada	0	0	0	0
30. New Hampshire	0	0	0	0
31. New Jersey	1.4	1.75	2.45	6.37
If single status ³	1.4	3.45	5.25	6.37
32. New Mexico	3.2	6	7.1	8.5
If single status ³	6	7.1	7.9	8.5
33. New York	5	7.125	7.125	7.125
If single status ³	7.125	7.125	7.125	7.125
34. North Carolina	6	7	7	7.75
35. North Dakota	6.67	9.33	12	12
If single status ³	8	10.67	12	12
36. Ohio	2.972	4.457	5.201	7.5
37. Oklahoma	4	7	7	7
If single status ³	7	7	7	7
38. Oregon	9	9	9	9
39. Pennsylvania	2.8	2.8	2.8	2.8
40. Rhode Island	27.5	27.5	27.5	27.5
		(See footnote 4)		
41. South Carolina	7	7	7	7
42. South Dakota	0	0	0	0
43. Tennessee	0	0	0	0
44. Texas	0	0	0	0
45. Utah	7	7	7	7
46. Vermont		(See footnote 5)		
47. Virginia	5	5.75	5.75	5.75
48. Washington	0	0	0	0
49. West Virginia	4	4.5	6	6.5
50. Wisconsin	6.55	6.93	6.93	6.93
51. Wyoming	0	0	0	0

¹ Earned income amounts that fall between the income brackets shown in this table (e.g., \$24,999.45, \$49,999.75) should be rounded to the nearest dollar to determine the marginal tax rate to be used in calculating the RIT allowance.

² If the earned income amount is less than the lowest income bracket shown in this table, the employing agency shall establish an appropriate marginal tax rate as provided in §302-11.8(e)(2)(ii).

³ This rate applies only to those individuals certifying that they will file under a single status within the States where they will pay income taxes. All other taxpayers, regardless of filing status, will use the other rate shown.

⁴ The income tax rate for Rhode Island is 27.5 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

⁵ The income tax rate for Vermont is 25 percent of Federal income tax liability for all employees. Rates shown as a percent of Federal income tax liability must be converted to a percent of income as provided in §302-11.8(e)(2)(iii).

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 5, 55 FR 1674, Jan. 18, 1990; 55 FR 5945, Feb. 20, 1990; 55 FR 10866, Mar. 23, 1990; FTR Amdt. 15, 56 FR 10379, Mar. 12, 1991; FTR Amdt. 24, 57 FR 1112, Jan. 10, 1992; FTR Amdt. 26, 57 FR 28636, June 26, 1992; FTR Amdt. 28, 58 FR 8547, Feb. 16, 1993; FTR Amdt. 35, 59 FR 10997, Mar. 9, 1994; FTR Amdt. 43, 60 FR 2536, Jan. 10, 1995; FTR Amdt. 46, 61 FR 3838, Feb. 2, 1996; FTR Amdt. 57, 62 FR 8174, Feb. 24, 1997]

APPENDIX C TO PART 302-11—FEDERAL TAX TABLES FOR RIT ALLOWANCE—YEAR 2

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1987

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1983, 1984, 1985, and 1986.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
					Over	But not over		
11	\$4,650	\$6,481	\$7,763	\$10,309	\$10,400	\$13,719	\$5,811	\$7,081
15	6,481	21,979	10,309	31,379	13,719	40,020	7,081	19,602
28	21,979	33,433	31,379	47,903	40,020	58,705	19,602	31,572

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Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
					Over	But not over		
35	33,433	58,810	47,903	88,015	58,705	101,432	31,572	54,120
38.5	58,810	.....	88,015	.....	101,432	.....	54,120	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1988

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1983, 1984, 1985, 1986, and 1987.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
					Over	But not over		
15	\$5,260	\$23,920	\$9,440	\$34,215	\$12,500	\$43,410	\$6,200	\$21,880
28	23,920	52,310	34,215	77,300	43,410	88,740	21,880	47,475
33	52,310	113,370	77,300	166,910	88,740	197,820	47,475	133,415
28	113,370	.....	166,910	.....	197,820	.....	133,415	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1989

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1983, 1984, 1985, 1986, 1987, 1988.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
					Over	But not over		
15	\$5,320	\$24,111	\$9,061	\$33,963	\$12,940	\$43,397	\$6,723	\$23,089
28	24,111	50,311	33,963	71,688	43,397	84,030	23,089	54,177
33	50,311	110,883	71,688	164,538	84,030	198,284	54,177	145,523
28	110,883	.....	164,538	.....	198,284	.....	145,523	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1990

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1983, 1984, 1985, 1986, 1987, 1988, or 1989.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
					Over	But not over		
15	\$5,556	\$25,167	\$9,824	\$35,312	\$12,652	\$44,759	\$6,885	\$23,089
28	25,167	51,042	35,312	75,233	44,759	84,283	23,089	50,147
33	51,042	112,588	75,233	170,564	84,283	200,559	50,147	148,107
28	112,588	.....	170,564	.....	200,559	.....	148,107	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1991

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1983, 1984, 1985, 1986, 1987, 1988, 1989, or 1990.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$5,754	\$26,242	\$10,177	\$36,611	\$13,093	\$46,770	\$7,120	\$23,977
28	26,242	55,330	36,611	78,894	46,770	94,598	23,977	47,908
31	55,330	.....	78,894	.....	94,598	.....	47,908	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1992

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in § 302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1985, 1986, 1987, 1988, 1989, 1990, or 1991.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,190	\$27,963	\$10,864	\$38,611	\$14,316	\$50,219	\$7,819	\$25,629
28	27,963	58,786	38,611	83,158	50,219	101,123	25,629	50,939
31	58,786	.....	83,158	.....	101,123	.....	50,939	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1993

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in § 302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1985, 1986, 1987, 1988, 1989, 1990, 1991, or 1992.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,289	\$28,621	\$11,017	\$39,541	\$14,584	\$51,229	\$7,740	\$26,145
28	28,621	60,303	39,541	85,315	51,229	103,223	26,145	52,226
31	60,303	.....	85,315	.....	103,223	.....	52,226	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1994

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in § 302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, or 1993.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,492	\$30,068	\$11,603	\$43,304	\$15,846	\$55,773	\$7,738	\$27,855
28	30,068	67,256	43,304	97,172	55,773	115,653	27,855	58,980
31	67,256	134,936	97,172	155,995	115,653	167,653	58,980	86,842
36	134,936	273,705	155,995	284,250	167,653	277,401	86,842	142,545
39.6	273,705	.....	284,250	.....	277,401	.....	142,545	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR
1995

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in § 302-11.8(e)(1). This table is to be used for

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employees whose Year 1 occurred during calendar years 1985, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, or 1994.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing separately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,643	\$30,783	\$11,937	\$44,304	\$16,387	\$57,249	\$8,171	\$28,637
28	30,783	68,684	44,304	102,201	57,249	119,362	28,637	59,017
31	68,684	139,546	102,201	163,966	119,362	173,514	59,017	88,341
36	139,546	283,746	163,966	294,200	173,514	286,217	88,341	147,650
39.6	283,746	.....	294,200	.....	286,217	.....	147,650	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1996

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, or 1995.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$6,885	\$31,807	\$12,295	\$45,572	\$17,027	\$59,055	\$8,229	\$29,600
28	31,807	70,867	45,572	105,805	59,055	123,190	29,600	61,245
31	70,867	144,170	105,805	168,990	123,190	179,414	61,245	90,611
36	144,170	292,883	168,990	301,968	179,414	295,681	90,611	150,779
39.6	292,883	.....	301,968	.....	295,681	.....	150,779	.....

FEDERAL MARGINAL TAX RATES BY EARNED INCOME LEVEL AND FILING STATUS—TAX YEAR 1997

The following table is to be used to determine the Federal marginal tax rate for Year 2 for computation of the RIT allowance as prescribed in §302-11.8(e)(1). This table is to be used for employees whose Year 1 occurred during calendar years 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, or 1996.

Marginal tax rate (percent)	Single taxpayer		Heads of household		Married filing jointly/ qualifying widows and widowers		Married filing sepa- rately	
	Over	But not over	Over	But not over	Over	But not over	Over	But not over
15	\$7,067	\$32,674	\$12,963	\$46,966	\$16,798	\$59,856	\$8,702	\$29,669
28	32,674	71,647	46,966	104,632	59,856	123,931	29,669	62,023
31	71,647	141,006	104,632	161,381	123,931	180,221	62,023	92,072
36	141,006	288,900	161,381	293,567	180,221	299,695	92,072	152,835
39.6	288,900	.....	293,567	.....	299,695	.....	152,835	.....

[54 FR 20332, May 10, 1989, as amended by FTR Amdt. 5, 55 FR 1676, Jan. 18, 1990; FTR Amdt. 15, 56 FR 10380, Mar. 12, 1991; FTR Amdt. 24, 57 FR 1114, Jan. 10, 1992; FTR Amdt. 28, 58 FR 8549, Feb 16, 1993; FTR Amdt. 35, 59 FR 10997, Mar. 9, 1994; FTR Amdt. 43, 60 FR 2536, Jan. 10, 1995; FTR Amdt. 46, 61 FR 3840, Feb. 2, 1996; FTR Amdt. 57, 62 FR 8174, Feb. 24, 1997]

APPENDIX D TO PART 302-11—PUERTO RICO TAX TABLES FOR RIT ALLOWANCE

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1987

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
25.66		\$25,000		
33.35				\$25,000
47.03	\$25,000	50,000		
50.00	50,000		\$25,000	

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1988

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in § 302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15		\$25,000		
25				\$25,000
41	\$25,000		\$25,000	

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1989

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in § 302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15		\$25,000		
25				\$25,000
38	\$25,000		\$25,000	

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1990

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in § 302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15		\$25,000		
25				\$25,000
41	\$25,000		\$25,000	

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1991

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in § 302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15		\$25,000		
25				\$25,000
36	\$25,000		\$25,000	

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1992

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in § 302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15		\$25,000		
25				\$25,000
36	\$25,000		\$25,000	

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PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1993

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15 .....	.....	.....	.....	\$25,000
25 .....	.....	\$25,000	.....	.....
36	\$25,000	.....	\$25,000	.....

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1994

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
15 .....	.....	.....	.....	\$25,000
25 .....	.....	\$25,000	.....	.....
36	\$25,000	.....	\$25,000	.....

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1995

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
12 .....	.....	.....	.....	\$25,000
18 .....	.....	\$25,000	.....	.....
31 .....	.....	.....	\$25,000	\$50,000
33	\$25,000	.....	\$50,000	.....

PUERTO RICO MARGINAL TAX RATES BY EARNED INCOME LEVEL—TAX YEAR 1996

The following table is to be used to determine the Puerto Rico marginal tax rate for computation of the RIT allowance as prescribed in §302-11.8(e)(4)(i).

Marginal tax rate (percent)	Single filing status		Any other filing status	
	Over	But not over	Over	But not over
12 .....	.....	.....	.....	\$25,000
18 .....	.....	\$25,000	.....	.....
31	\$25,000	\$50,000	\$25,000	\$50,000
33	\$50,000	.....	\$50,000	.....

[FTR Amdt. 30, 58 FR 15438, Mar. 23, 1993, as amended by FTR Amdt. 35, 59 FR 10997, Mar. 9, 1994; FTR Amdt. 43, 60 FR 2536, Jan. 10, 1995; FTR Amdt. 46, 61 FR 3840, Feb. 2, 1996; FTR Amdt. 57, 62 FR 8176, Feb. 24, 1997]

PART 302-12—USE OF A RELOCATION SERVICES COMPANY

Subpart A—Agency’s Use of a Relocation Services Company

Sec.

302-12.1 What are “relocation services”?

302-12.2 May we enter into a contract with a relocation services company for the company to provide relocation services?

302-12.3 What contracted relocation services may we provide at Government expense?

302-12.4 May we separately contract for each type of relocation service?

302-12.5 What is the purpose of contracting for relocation services?

302-12.6 How must we administer a relocation services contract?

302-12.7 What policies must we establish when offering our employees the services of a relocation services company?

302-12.8 What rules must we follow when contracting for relocation services?

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- 302-12.9 What are the income tax consequences that we must consider when offering relocation services?
- 302-12.10 What must we consider in deciding whether to use the fixed-fee or cost-reimbursable contracting method?
- 302-12.11 May we take title to an employee's residence?
- 302-12.12 Under a homesale program, may we establish a maximum home value above which we will not pay for homesale services?
- 302-12.13 Under a homesale program, may we pay an employee for losses he/she incurs on the sale of a residence?
- 302-12.14 Under a homesale program, may we direct the relocation services company to pay an employee more than the fair market value of his/her residence?
- 302-12.15 May we use a relocation services contract for services which we are contractually bound to obtain under another travel services contract?

Subpart B—Employee's Use of a Relocation Services Company

- 302-12.100 Am I eligible to use a relocation services company?
- 302-12.101 Must my agency allow me to use a relocation services company?
- 302-12.102 Under what conditions may I use a relocation services company?
- 302-12.103 For what relocation services expenses will my agency pay?
- 302-12.104 If I use a contracted-for relocation service that is a substitute for reimbursable relocation allowance, will I be reimbursed for the relocation allowance as well?
- 302-12.105 What expenses will my agency pay if I use a relocation services company to ship household goods in excess of the maximum weight allowance?
- 302-12.106 What expenses will my agency pay if I use a relocation services company to sell or purchase a residence for which I and/or a member(s) of my immediate family do not have full title?
- 302-12.107 If my agency authorizes me to enter a homesale program, must I accept a buyout offer from the relocation services company?
- 302-12.108 What are the income tax consequences if I use a relocation services company?

AUTHORITY: 5 U.S.C. 5738 and 20 U.S.C. 905(c).

SOURCE: FTR Amdt. 62, 62 FR 13766, Mar. 21, 1997, unless otherwise noted.

Subpart A—Agency's Use of a Relocation Services Company

NOTE TO SUBPART A: Use of the pronouns "we" and "you" throughout this subpart refers to the agency.

§302-12.1 What are "relocation services"?

"Relocation services" are services provided by a private company under a contract with an agency to assist a transferred employee in relocating to the new official station. Examples include homesale programs, home marketing assistance, home finding assistance, and property management services.

§302-12.2 May we enter into a contract with a relocation services company for the company to provide relocation services?

Yes.

§302-12.3 What contracted relocation services may we provide at Government expense?

You may pay for contracted relocation services that are a substitute for reimbursable relocation allowances authorized throughout this chapter. For example, you may pay for homesale services as a substitute for residence sale expenses, or household goods management services as a substitute for transportation of household goods.

§302-12.4 May we separately contract for each type of relocation service?

Yes, or you may combine several types of relocation services in a single contract.

§302-12.5 What is the purpose of contracting for relocation services?

To improve the treatment of employees who are directed to relocate to facilitate the retention of a well-qualified workforce.

§302-12.6 How must we administer a relocation services contract?

You must balance the positive effects that availability of relocation services has on employee mobility and morale with any increased costs your agency may experience as a result of providing relocation services.

§302-12.7 What policies must we establish when offering our employees the services of a relocation services company? You must establish policies governing:

- (a) The conditions under which you will authorize an employee to use a relocation services company;
- (b) Which employees you will allow to use a relocation services company;
- (c) What relocation services you will offer an employee; and
- (d) Who will determine in each case if an employee may use a relocation services company and what services will be offered.

§302-12.8 What rules must we follow when contracting for relocation services?

The rules contained in the Federal Acquisition Regulations (FAR) (48 CFR) and/or other procurement regulations applicable to you.

§302-12.9 What are the income tax consequences that we must consider when offering relocation services?

Amounts you pay to a relocation services company on behalf of an employee may be taxable to the employee. In some cases, such as with certain homesale programs, the amounts may not be taxable. You must determine the taxability of such payments, and pay a relocation income tax (RIT) allowance in accordance with part 302-11 of this chapter on payments you determine to be taxable to the employee. You may contact the Assistant Chief Counsel (Income Tax & Accounting), Internal Revenue Service, 1111 Constitution Avenue, NW., Room 5501, Washington, DC 20224, for information on the income tax consequences of payments you make to a relocation services company.

§302-12.10 What must we consider in deciding whether to use the fixed-fee or cost-reimbursable contracting method?

You must consider the following factors in deciding which contracting method to use:

- (a) *Risk of alternative methods.* Under a fixed fee contract, the relocation services company bears all risks not expressly contained in the contract.

Under a cost-reimbursable contract, you must assume some or all risks and, therefore, must assume some management responsibilities under the contract as well. For example, under a fixed fee homesale program you are not directly liable for losses incurred if a residence does not sell immediately, while under a cost-reimbursable homesale program you assume some or all risks of selling the residence.

- (b) *Cost of alternative methods.* Under the fixed fee method of contracting, the fee includes a cost component for risk assumed by the relocation services company. Under the cost-reimbursable method of contracting, you are directly responsible for some or all of the costs associated with management of the contract. In deciding whether to use cost-reimbursable contracting you, therefore, must consider the cost of resources you would require (including personnel costs) to manage a cost-reimbursable relocation services contract.

- (c) *Effect on the obligation of funds.* You must obligate funds for a relocation in the fiscal year in which the purchase order is awarded under the contract. Under the fixed fee contracting method, the amount of the relocation services fee is fixed and you have a basis for determining the amount of funds to obligate. Under the cost-reimbursable contracting method, you must obligate funds based on an estimate of the costs that will be incurred. When opting for cost-reimbursable contracting you, therefore, should establish a reliable method of computing fund obligation estimates.

§302-12.11 May we take title to an employee's residence?

No, you may not take title to an employee's residence except as specifically provided by statute. The statutes which form the basis for the provisions of this part do not provide such authority.

§302-12.12 Under a homesale program, may we establish a maximum home value above which we will not pay for homesale services?

Yes. If a home exceeding the maximum value is sold under your homesale

program, the employee will be responsible for any additional costs. You must establish a maximum amount commensurate with your agency's experience. You may consider, among other factors, budgetary constraints, the value range of homes in areas where you have offices, and the value range of homes previously entered in your program.

§ 302-12.13 Under a homesale program, may we pay an employee for losses he/she incurs on the sale of a residence?

No. But, this does not preclude your reimbursing a relocation services company for losses incurred while the contractor holds the property.

§ 302-12.14 Under a homesale program, may we direct the relocation services company to pay an employee more than the fair market value of his/her residence?

No. Under a homesale program you may not direct the relocation services company to pay an employee more than the fair market value (as determined by the residence appraisal process) of his/her home.

§ 302-12.15 May we use a relocation services contract for services which we are contractually bound to obtain under another travel services contract?

No. For example, you may not use a relocation services contract to circumvent the travel and transportation expense payment system contract if you are a user of that contract.

Subpart B—Employee's Use of a Relocation Services Company

NOTE TO SUBPART B: Use of the pronouns "I" and "you" throughout this subpart refers to the employee.

§ 302-12.100 Am I eligible to use a relocation services company?

Yes, if you are an employee who is authorized to transfer.

§ 302-12.101 Must my agency allow me to use a relocation services company?

No. Your agency determines if you may use a relocation services company.

§ 302-12.102 Under what conditions may I use a relocation services company?

You may use a relocation services company if:

(a) You meet all conditions required for you to be eligible for an allowance contained in this chapter for which a service provided by the relocation services company would serve as a substitute, and you are authorized to use a specific relocation service provided by the company as a substitute;

(b) You have signed a service agreement; and

(c) You meet any specific conditions your agency has established.

§ 302-12.103 For what relocation services expenses will my agency pay?

Your agency will pay the relocation services company's fees/expenses for the services you are authorized to use. If your agency pays the relocation services company for actual expenses the company incurs on your behalf, payment to the company is limited to what you would have received under the direct reimbursement provisions of this chapter.

§ 302-12.104 If I use a contracted-for relocation service that is a substitute for reimbursable relocation allowance, will I be reimbursed for the relocation allowance as well?

No.

§ 302-12.105 What expenses will my agency pay if I use a relocation services company to ship household goods in excess of the maximum weight allowance?

Your agency will pay the portion of the fee attributable to 18,000 pounds net weight. You must pay the rest.

§ 302-12.106 What expenses will my agency pay if I use a relocation services company to sell or purchase a residence for which I and/or a member(s) of my immediate family do not have full title?

Your agency will pay the portion of the relocation services company's fee attributable to your pro rata share of the residence, as determined in accordance with § 302-6.1(f) of this chapter.

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You must pay any portion of the fee attributable to other than your pro rata share of the residence.

§ 302-12.107 If my agency authorizes me to enter a homesale program, must I accept a buyout offer from the relocation services company?

No. Your agency must give you the option to accept or reject an offer from the relocation services company.

§ 302-12.108 What are the income tax consequences if I use a relocation services company?

You may incur income taxes on relocation services provided by a relocation services company and paid for by your agency. Section 82 of the Internal Revenue Code states there shall be included in gross income (as compensation for services) any amount received or accrued, directly or indirectly, by an individual as a payment for or reimbursement of expenses of moving from one residence to another residence which is attributable to employment. You will receive a relocation income tax (RIT) allowance if your agency determines that such expenses are taxable. The Government does not assume responsibility for payment of your taxes, however, and you may wish to consult a tax professional on income tax reporting.

PART 302-14—HOME MARKETING INCENTIVE PAYMENTS

Subpart A—Payment of Incentive to the Employee

Sec.

- 302-14.1 What is a “homesale program”?
- 302-14.2 What is the purpose of a home marketing incentive payment?
- 302-14.3 Am I eligible to receive a home marketing incentive payment?
- 302-14.4 Must my agency pay me a home marketing incentive?
- 302-14.5 Under what circumstances will I receive a home marketing incentive payment?
- 302-14.6 How much may my agency pay me for a home marketing incentive?
- 302-14.7 Are there tax consequences when I receive a home marketing incentive payment?

Subpart B—Agency Responsibilities

- 302-14.100 How should we administer our home marketing incentive payment program?
- 302-14.101 What policies must we establish to govern our home marketing incentive payment program?
- 302-14.102 What factors should we consider in determining whether to establish a home marketing incentive payment program?
- 302-14.103 What factors should we consider in determining the amount of a home marketing incentive payment?

AUTHORITY: 5 U.S.C. 5756.

SOURCE: FTR Amdt. 61, 62 FR 13763, Mar. 21, 1997, unless otherwise noted.

Subpart A—Payment of Incentive to the Employee

NOTE TO SUBPART A: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-14.1 What is a “homesale program”?

It is a program offered by an agency through a contractual arrangement with a relocation services company. The relocation services company purchases a transferred employee's residence at fair market (appraised) value and then independently markets and sells the residence.

§ 302-14.2 What is the purpose of a home marketing incentive payment?

To reduce the Government's relocation costs by encouraging transferred employees who participate in their employing agency's homesale program to independently and aggressively market, and find a bona fide buyer for, their residence. This significantly reduces the fees/expenses their agencies must pay to relocation services companies and effectively lowers the cost of such programs.

§ 302-14.3 Am I eligible to receive a home marketing incentive payment?

Yes, if you are an employee who is authorized to transfer and you otherwise meet requirements for sale of your residence at Government expense.

§302-14.4 Must my agency pay me a home marketing incentive?

No. Your agency determines when it is in the Government's interest to offer you a home marketing incentive.

§302-14.5 Under what circumstances will I receive a home marketing incentive payment?

You will receive a home marketing incentive payment when:

- (a) You enter your residence in your agency's homesale program;
- (b) You independently and aggressively market your residence;
- (c) You find a bona fide buyer for your residence as a result of your independent marketing efforts;
- (d) You transfer the residence to the relocation services company;
- (e) Your agency pays a reduced fee/expenses to the relocation services company as a result of your independent marketing efforts; and
- (f) You meet any additional conditions your agency has established, including but not limited to, mandatory marketing periods, list price guidelines, closing requirements, and residence value caps.

§302-14.6 How much may my agency pay me for a home marketing incentive?

Your agency determines the amount of your home marketing incentive payment. The incentive payment, however, may not exceed the lesser of:

- (a) Five percent of the price the relocation services company paid when it purchased the residence from you; or
- (b) The savings your agency realized from the reduced fee/expenses it paid as a result of your finding a bona fide buyer.

§302-14.7 Are there tax consequences when I receive a home marketing incentive payment?

Yes, the home marketing incentive payment is considered income. Consequently, you will be taxed, and your agency will withhold income and employment taxes, on the home marketing incentive payment. You will not, however, receive a withholding tax allowance (WTA) to offset the withholding on your home marketing incentive payment, nor will you receive a reloca-

tion income tax (RIT) allowance payment for substantially all of your Federal, state and local income taxes on the incentive payment.

Subpart B—Agency Responsibilities

NOTE TO SUBPART B: Use of the pronouns "we" and "you" throughout this subpart refers to the agency.

§302-14.100 How should we administer our home marketing incentive payment program?

Your goal in using an incentive payment program is to reduce your overall relocation costs. You must not make a home marketing incentive payment that exceeds the savings you realize from the reduced fees/expenses you pay the relocation services company.

§302-14.101 What policies must we establish to govern our home marketing incentive payment program?

You must establish policies to govern:

- (a) The conditions under which you will authorize a home marketing incentive payment for an employee;
- (b) The amount of the home marketing incentive payment(s) you will offer (or the method you will use to compute your home marketing incentive payments); and
- (c) Who will determine in each case whether a home marketing incentive payment is authorized.

§302-14.102 What factors should we consider in determining whether to establish a home marketing incentive payment program?

You should consider:

- (a) Whether the program will increase the percentage of residences sold for which employees find a bona fide buyer. You should establish a benchmark for the percentage of residences for which you expect employees to find a bona fide buyer resulting in lower homesale costs to you. If your historical percentage of employee-generated sales is below your benchmark, a home marketing incentive payment program may benefit you.
- (b) The expected net savings from a home marketing incentive payment program.

Relocation Allowances

§ 302-14.103

§ 302-14.103 What factors should we consider in determining the amount of a home marketing incentive payment?

You should consider:

(a) Amount of savings from reduced fee/expenses paid to the relocation services company. The home marketing incentive payment program is intended to reduce your relocation costs. The amount of each home marketing incentive payment you make, therefore, must not exceed the savings you realize from the reduced fee you pay to the relocation services company.

(b) Employee's efforts in marketing the residence. The purpose of a home marketing incentive payment program is to encourage a transferred employee who participates in a homesale program to independently and aggressively market his/her residence and find a bona fide buyer.

PART 302-15—ALLOWANCE FOR PROPERTY MANAGEMENT SERVICES Pt. 302-15

Subpart A—General Rules for the Employee

Sec.

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Subpart C—Payment for Property Management Services for Employees Transferred to a Nonforeign Area From a Foreign Area

302-15.200 Am I eligible for payment for property management services under this subpart?

302-15.201 Under what circumstances will my agency authorize payment under this subpart?

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302-15.203 For what property may my agency authorize payment under this subpart?

302-15.204 How long may my agency pay under this subpart?

302-15.205 If my agency authorized, and I elected to receive, payment under this subpart, may I later elect to sell my residence at Government expense?

Subpart D—Agency Responsibilities

302-15.300 What governing policies must we establish for the allowance for property management services?

AUTHORITY: 5 U.S.C. 5738; 20 U.S.C. 905(a); E.O. 11609, 36 FR 13474, 3 CFR, 1971-1975 Comp., p. 586.

SOURCE: FTR Amdt. 60, 62 FR 13761, Mar. 21, 1997, unless otherwise noted.

Subpart A—General Rules for the Employee

NOTE TO SUBPART A: Use of the pronouns "I" and "you" throughout this subpart refers to the employee.

§ 302-15.1 What are “property management services”?

“Property management services” are programs provided by private companies for a fee, which help an employee to manage his/her residence at the old official station as a rental property. These services typically include, but are not limited to, obtaining a tenant, negotiating the lease, inspecting the property regularly, managing repairs and maintenance, enforcing lease terms, collecting the rent, paying the mortgage and other carrying expenses from rental proceeds and/or funds of the employee, and accounting for the transactions and providing periodic reports to the employee.

§ 302-15.2 What is a “nonforeign area”?

A “nonforeign area” is the United States, its territories or possessions, the Commonwealths of Puerto Rico or the Northern Mariana Islands, or the former Canal Zone area (i.e., areas and installations in the Republic of Panama made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in 22 U.S.C. 3602(a))).

§ 302-15.3 What is a “foreign area”?

A “foreign area” means any area that is not a “nonforeign area”, as defined in § 302-15.2.

§ 302-15.4 What are the purposes of the allowance for property management services?

The purpose is to reduce overall Government relocation costs when used instead of sale of the employee’s residence at Government expense. When authorized in connection with an employee’s transfer to a foreign area post of duty, the purpose is to relieve the employee of the costs of maintaining a home in a nonforeign area while stationed at a foreign area post of duty.

§ 302-15.5 In what situations may my agency authorize payment for property management services?

Your agency may authorize payment when:

(a) You transfer in the interest of the Government to a foreign area post of duty; or

(b) You are transferred back to a different nonforeign area official station than the one you left when you were transferred to a foreign area, and you are otherwise eligible for the sale of your residence at Government expense.

§ 302-15.6 Must my agency authorize payment for property management services?

No, your agency determines when it is in the Government’s interest to authorize payment for these services and what procedures you must follow when it authorizes such payment.

§ 302-15.7 What are the income tax consequences when my agency pays for my property management services?

You will be taxed on the amount of expenses your agency pays for property management services whether it reimburses you directly or whether it pays a relocation services company to manage your residence. Your agency must pay you a relocation income tax (RIT) allowance for the additional Federal, State and local income taxes you incur on property management expenses it reimburses you or pays on your behalf. You may wish to consult with a tax advisor to determine whether you will incur any additional tax liability, unrelated to your agency’s payment of your property management expenses, as a result of maintaining your residence as a rental property.

§ 302-15.8 Who is not eligible for payment for property management services?

New appointees, employees assigned under the Government Employees Training Act (5 U.S.C. 4109), and employees transferring wholly within a nonforeign area.

Subpart B—Payment for Property Management Services for Employees Transferred to a Foreign Area Post of Duty

NOTE TO SUBPART B: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-15.100 Am I eligible for payment for property management services under this subpart?

Yes, when your transfer to a foreign area post of duty is in the interest of the Government and you and/or a member(s) of your immediate family hold title to a residence which you would be eligible to sell at Government expense under part 302-6 or 302-12 of this chapter if you were transferred to or within a nonforeign area.

§ 302-15.101 Will my agency pay for property management services when I transfer to a foreign area post of duty?

Yes, when:

- (a) Your agency authorizes payment for your property management services;
- (b) You have signed a service agreement; and
- (c) You meet any additional conditions that your agency has established.

§ 302-15.102 For what property may my agency authorize payment under this subpart?

Payment may be authorized only on your residence at the last nonforeign area official station from which you transferred to a foreign area post of duty.

§ 302-15.103 How long may my agency pay under this subpart?

Your agency may pay from the time you transfer to a foreign area post of duty until one of the following occurs:

- (a) You transfer back to an official station in a nonforeign area;
- (b) You complete a service agreement at your post of duty and remain there, but do not sign a new service agreement; or
- (c) You separate from Government service.

§ 302-15.104 If my agency is paying for property management services under this subpart and my service agreement expires, what must I do to ensure that payment for property management services continues?

You must sign a new service agreement.

§ 302-15.105 Must I repay property management expenses my agency paid under this subpart if I elect to sell my nonforeign area residence at Government expense when I am transferred from my current foreign area post of duty to a different nonforeign area official station than the one I left?

No. The authority for your agency to pay for property management services under this subpart when you are transferred to a foreign area is separate from, and in addition to, the authority to sell your residence at Government expense under part 302-6 or 302-12 of this chapter, or to pay property management services under subpart C of this part.

Subpart C—Payment for Property Management Services for Employees Transferred to a Nonforeign Area From a Foreign Area to Subpart C

NOTE: Use of the pronouns “I” and “you” throughout this subpart refers to the employee.

§ 302-15.200 Am I eligible for payment for property management services under this subpart?

Yes, when:

- (a) You transfer in the interest of the Government back to a different nonforeign area official station than the one you left when you transferred to a foreign area; and
- (b) You and/or a member(s) of your immediate family hold title to a residence which you are eligible to sell at Government expense under part 302-6 or 302-12 of this chapter.

§ 302-15.201 Under what circumstances will my agency authorize payment under this subpart?

Your agency will authorize payment under this subpart when:

- (a) Your agency has determined that payment for property management services is more advantageous and cost effective for the Government than sale of your residence;
- (b) You have signed a service agreement incident to your transfer back to a nonforeign area; and
- (c) You meet any additional conditions that your agency has established.

§ 302-15.202 When my agency authorizes payment for me under this subpart, am I obligated to use such services, or may I elect instead to sell my residence at Government expense?

You are not obligated to use your authorized property management services allowance. You have the option of choosing to sell your residence at Government expense or to use the property management services allowance.

§ 302-15.203 For what property may my agency authorize payment under this subpart?

Your agency may authorize payment only on your residence at the old non-foreign area official station.

§ 302-15.204 How long may my agency pay under this subpart?

Your agency may pay for a period not to exceed two years from your effective date of transfer.

§ 302-15.205 If my agency authorized, and I elected to receive, payment under this subpart, may I later elect to sell my residence at Government expense?

Yes, provided:

(a) Your agency allows you to change your election of payment for property management expenses to an election of sale of your residence at Government expense; and

(b) Payment for the sale of your residence at Government expense is offset in accordance with your agency's policy established under § 302-15.300(d).

Subpart D—Agency Responsibilities

NOTE TO SUBPART D: Use of the pronouns "we" and "you" throughout this subpart refers to the agency.

§ 302-15.300 What governing policies must we establish for the allowance for property management services?

You must establish policies and procedures governing:

(a) When you will authorize payment for property management services for an employee who transfers to a foreign area post of duty;

(b) Who will determine whether payment for property management services is appropriate when an employee transfers to a foreign area post of duty;

(c) The circumstances under which you will authorize an employee who is eligible under this part for property management services to elect the use of property management services instead of the sale of his/her residence at Government expense under part 302-6 or 302-12 of this chapter;

(d) Who will determine whether payment for property management services is more advantageous and cost effective than sale of an employee's residence at Government expense;

(e) If and when you will allow an employee who was offered and accepted payment for property management services under subpart C of this part to change his/her mind and elect instead to sell his/her residence at Government expense, and who will make that determination; and

(f) How you will offset expenses you have paid for property management services against payable expenses for sale of the employee's residence when an eligible employee who elected payment for property management services later changes his/her mind and elects instead to sell his/her residence at Government expense.